FOREIGN
BROADCAST
INFORMATION
SERVICE

Daily Report

East Asia

FBIS-EAS-95-228
Tuesday
28 November 1995

Daily Report
East Asia

FBIS-EAS-95-228 CONTENTS *28 November 1995*

NOTICE: An * indicates material not disseminated in electronic form.

NORTHEAST ASIA

Japan

U.S. Official Cited on Clinton's Delayed Visit *[KYODO]* 1
Okinawa Objects to Murayama's 'Proxy Signing' *[RYUKYU SHIMPO 27 Nov]* 1
Okinawa To Seek Review of Military Land Law *[OKINAWA TIMES 27 Nov]* 2
Okinawa Explains U.S. Base Cut Demands *[KYODO]* 2
Controversy Over U.S. Security Treaty Viewed *[RONZA Dec]* 3
Takemura on Greenspan's Remarks on Daiwa Case *[KYODO]* 7
Hashimoto Reaffirms Need for Arms Exports Ban *[KYODO]* 8
Credentials of Ambassadors Seen Lacking *[SEIRON Oct]* 8
Tokyo Decides To Draw Own UN Reform Project *[NIHON KEIZAI SHIMBUN 26 Nov]* 17
    Senior Officials Debate UN Reform *[KYODO]* 18
Tokyo Studying PKO Cooperation With Beijing *[SANKEI SHIMBUN 28 Nov]* 18
Coalition To Call For Nuclear Weapons Ban *[KYODO]* 19
Tokyo Puts Biological Arms Ban Into Effect *[KYODO]* 19
EU Appeals for Further Economic Deregulation *[KYODO]* 20
Article Analyzes 'New Mechanism' at APEC *[ASAHI SHIMBUN 20 Nov]* 20
Talks With DPRK Unlikely for Near Future *[MAINICHI SHIMBUN 27 Nov]* 21
PRC's Wu Yi Meets Tokyo Business Team *[KYODO]* 22
Tokyo-Beijing Panel Discusses Investment *[NIHON KEIZAI SHIMBUN 28 Nov]* 22
EPA Head Backs Formation of U.S.-Style RTC *[KYODO]* 23
MOF Urged To Prevent Unsold Shares *[KYODO]* 23
'Shady' Loan Scheme Implicates Ex-Minister *[KYODO]* 24
Hashimoto Stresses Strengthening FTC Functions *[MAINICHI SHIMBUN 24 Nov]* 24
Pharmacy Firm Investigated Over Alleged Bribe *[KYODO]* 25
Group Refuses FTC Order To Stop Cartel *[KYODO]* 25
Survey Shows Overseas Plant Contracts Increasing *[KYODO]* 25
JGC Accepts Lubricant Plant Order in PRC *[KYODO]* 26
Joint PRC Venture To Sell Power Supplies *[KYODO]* 26
Matsushita To Make Audio Equipment in PRC *[KYODO]* 26
Mitsubishi To Give ROK Firm Expertise *[KYODO]* 27
Nissho Iwai Plans Joint Venture With Vietnam *[KYODO]* 27
NEC Wins Order for Tanzanian Telecom System *[KYODO]* 27
NFP Lawmakers Announce Security Proposals *[KYODO]* 28
Kamei Comments on Apology for Historical Cases *[SANKEI SHIMBUN 23 Nov]* 28
Government's Stance on Religious Groups Reported *[KYODO]* 28
Ruling Coalition Split Over Defense Program *[KYODO]* 29
Incumbent Wins Kochi Gubernatorial Election *[KYODO]* 29

North Korea

Commentary Condemns Defense Cost-Sharing Deal *[Pyongyang Radio]* 29
NODONG SINMUN Praises Pomminnyon Formation *[KCNA]* 30
'Provocations' in DMZ 23, 24 Nov Reported *[Pyongyang Radio]* 31
Reportage, Comment on Kwangju 'Special Law' 32

    - ROK Protesters Lend Support *[KCNA]* 32
    - 'Antigovernment' Spirit Cited *[KCNA]* 32
    - South Radio Urges Punishment *[KCNA]* 32
    - Kim Tae-chung Comments *[KCNA]* 33
    - ROK Students Demand Punishment *[KCNA]* 33
    - Called 'Desperate Measure' *[Pyongyang Radio]* 33
    - MINJU CHOSON Analysis *[KCNA]* 34
    - Rights Group Wants Investigation *[KCNA]* 35
- Reaction to ROK 'Election Fund' Scandal Noted 35
    - Kim Tae-chung Comments *[KCNA]* 35
    - VNS Questions Probe *[KCNA]* 35
    - Opposition's Criticism *[KCNA]* 36
    - Foreign Media Comment *[KCNA]* 36
    - VNS Reports Charges *[KCNA]* 36
    - NCNP Sees 'Emergency Situation' *[KCNA]* 38
    - ROK Religious Groups Urge Reform *[KCNA]* 38
    - ROK Rallies Held *[KCNA]* 38
    - Deputy Reports on Chon Wealth *[KCNA]* 38
    - Anti-Kim Yong-sam Sentiments Noted *[KCNA]* 39
    - KCNA on 'Fate' of ROK Rulers 39
- Daily Denounces Arrest of Trade Union Official *[KCNA]* 40
- 'Suppression' of New ROK Union Denounced *[Pyongyang Radio]* 40
- Criticism of Move To Rename DLP 41
    - KCNA Denounces 'Trick' 41
    - NODONG SINMUN, MINJU CHOSON Report *[KCNA]* 41
    - ROK Opposition Parties *[KCNA]* 41
- Kim Yong-Sam Condemned for APEC Summit Moves 42
    - 'Humiliating Diplomacy' *[KCNA]* 42
    - 'Pro-Japanese' Remarks *[KCNA]* 43
    - Commentary Calls Kim Japanese Pawn *[Pyongyang Radio]* 43
- Commentary Denounces Japanese 'Militarism' *[KCNA]* 44
- Talk Recalls 'Vicious' Japanese Occupation *[Pyongyang Radio]* 45
- Yi Chong-ok Meets Russian Communist Delegation *[KCNA]* 46
- BEIJING RIBAO Group Pays Homage to Kim Il-song *[KCNA]* 46
- KSDP Group Leaves for European Tour *[KCNA]* 46
- Trade Union Delegation Departs for France *[KCNA]* 47
- WPK Delegation Departs; Yemeni, Japanese Arrive *[KCNA]* 47
- Cooperation Protocol Signed With Bulgaria *[KCNA]* 47
- Video Footage of Kim, KWP Anniversary Cited *[SANKEI SHIMBUN 24 Nov]* 47
- Public Security Officials Convene in Pyongyang *[Pyongyang Radio]* 47
- Electricity Production Increase Noted *[KCNA]* 48
- Sadong Resolves To Produce More Consumer Goods *[Pyongyang TV]* 48
- More People Relocate to Rural Areas *[Pyongyang TV, etc.]* 49

South Korea

- North Opposes Direct Contact on LWR Project *[CHOSON ILBO 28 Nov]* 50
- Defense Minister Issues Directive on Readiness *[YONHAP]* 50
- Editorial Warns of 'Loose Security' *[TONG-A ILBO 28 Nov]* 51
- Ministry Reports on DPRK Instability *[YONHAP]* 51
- 'Negative Growth' Seen for North Through 1996 *[KYONGHYANG SINMUN 26 Nov]* 52
- North Allows Investment in Chongjin, Kim Chaek *[Seoul Radio]* 52
- Five Clergymen Begin Visit to North 52
    - Travel Via Beijing *[TONG-A ILBO 28 Nov]* 52

- Hospital Project on Agenda *[YONHAP]* 53
- Russian Alpha Antiterrorist Team Arrives *[YONHAP]* 53
- Seoul, EU To Expedite Cooperation Accord *[YONHAP]* 53
- Further on No Tae-u 'Slush Fund' Scandal 54
  - Justice Minister Comments *[YONHAP]* 54
  - New Bank Accounts Found *[YONHAP]* 54
  - Funds Linked to Politicians *[YONHAP]* 54
  - Switzerland To Assist Probe *[YONHAP]* 55
- Further on Kwangju Massacre Legislation 55
  - DLP To 'Appease' Conservatives *[THE KOREA TIMES 28 Nov]* 55
  - Law To Reflect High Court Ruling *[YONHAP]* 56
  - Opposition Takes Position *[YONHAP]* 56
- Chaebol Leaders Begin Management Reforms *[YONHAP]* 57
- Prosecutors To Interrogate Ex-Presidential Aide *[YONHAP]* 57
- DLP 'Tentatively' Decides To Change Name *[YONHAP]* 57
- New Reform Party Holds Inauguration Rally *[YONHAP]* 58
- New Air Force Trainer Christened *[YONHAP]* 58
- Prosecutors Discuss Narcotics Offenses *[THE KOREA TIMES 25 Nov]* 58
- MOTIE To Lower Tariffs, Apply Tariff Quotas *[THE KOREA HERALD 25 Nov]* 59
- Agricultural Imports Increase 'Sharply' *[THE KOREA TIMES 27 Nov]* 59
- Overseas Investments To Exceed $10 Billion *[YONHAP]* 59
- Consumer Prices Record Lowest Increase in 9 Years *[YONHAP]* 60

SOUTHEAST ASIA

Burma

- National Convention Reconvenes in Rangoon 28 Nov *[Rangoon Radio]* 61
  - 'More Than 600 Delegates' Gather *[AFP]* 61
- Military Regime Rejects Suu Kyi's Talks Demand *[Melbourne International]* 61
- Article Criticizes 'Instigation', 'Rumors' *[THE NEW LIGHT OF MYANMAR 20 Nov]* 62
- Khun Sa on Conditions for Talks With SLORC *[PHUCHATKAN 22 Nov]* 64
- Khun Sa Interviewed on Retirement 22 Nov *[BANGKOK POST 24 Nov]* 64

Brunei, Malaysia & Singapore

Malaysia

- Belgium Urged To Counter 'Negative Campaigns' *[NEW STRAITS TIMES 22 Nov]* 66
- Potential Business Tie-Ups With Belgium Viewed *[Kuala Lumpur International]* 67
- Aerospace Accord Signed With Russian Consortium *[THE STAR 23 Nov]* 67
- Mahathir Says Transfer of Power 'Matter of Time' *[Kuala Lumpur TV]* 68
- Mahathir Plan for Passing of Leadership Hailed *[THE STAR 28 Nov]* 69
- Mahathir Views Attempts 'To Destabilize' Economy *[SUNDAY STAR 26 Nov]* 70
- UMNO 'No-Contest' Resolution for Posts Noted *[THE STAR 27 Nov]* 70

Singapore

- German Businessmen Urged To Relocate to Asia *[THE STRAITS TIMES 21 Nov]* 71
- Kohl Supports Asia-Europe Summit, Ends Visit *[THE STRAITS TIMES 22 Nov]* 71
- Article Views Emergence of New Indonesian Groups *[THE SUNDAY TIMES 19 Nov]* 72
- Cooperation Among APEC Central Banks Hailed *[BUSINESS TIMES 23 Nov]* 74
- Emergence of East Asian Economic Community Seen *[BUSINESS TIMES 24 Nov]* 75

Cambodia

- Government Opponents Said Khmer Rouge 'Puppets' *[Phnom Penh Radio]* 76

Hun Sen on Preemptive Steps Against 'Terrorists' *[Phnom Penh Radio]* 77
CPP Supports 'Irreplaceable' Leader Hun Sen *[Phnom Penh Radio]* 78
Ranariddh, Hun Sen Cooperation Remains 'Strong' *[REAKSMEI KAMPUCHEA 27-28 Nov]* 78
'Narco-State' Articles Based on 'Weak Logic' *[REAKSMEI KAMPUCHEA 20-21 Nov]* 80

Indonesia

MNLF Chief Accuses Manila of Preparing for War *[KOMPAS 28 Nov]* 81
Commander on Asylum-Seeking Attempt at Embassy *[Jakarta Radio]* 81
Trikora Commander: Rebels Still Active on Border *[ANTARA]* 82
Army Captures Two Irian Jaya Separatist Rebels *[ANTARA]* 82
Minister: Foreign Debt Drops to $61.3 Billion *[THE JAKARTA POST 21 Nov]* 82
Commentary Evaluates Success of APEC Forum *[THE JAKARTA POST 20 Oct]* 83
Civil Servants 'Expected' To Support Golkar *[FBIS Media Note]* 84
Article Analyzes Military White Paper *[BUSINESS TIMES 25-26 Nov]* 84

Laos

Vientiane City Official Meets PRC Delegation *[KPL]* 86
Leaders Receive Japanese Parliamentarians *[KPL]* 86

Philippines

Ramos on French Nuclear Test, APEC, MNLF *[Quezon City Radio]* 87

Thailand

Meeting With Cambodia, Khun Sa Issue Viewed *[Bangkok TV]* 89
Wirot Views Khun Sa's Reported Entry Request *[NAEO NA 28 Nov]* 89
Ties of 'Mutual Respect' With Laos Viewed *[THE NATION 27 Nov]* 89
Burmese Delegation Arrives, Calls on Banhan *[Bangkok TV]* 91
Former Drug Panel Chief Thanat Interviewed *[ATHIT 24-30 Nov]* 91
Executive Views Telecommunications Master Plan *[THE NATION 27 Nov]* 96

Vietnam

PRC Peace, Disarmament Delegation Departs *[VNA]* 98
Editorial Hails General Secretary's PRC Visit *[Hanoi Radio]* 99
Deputy Prime Minister Meets Lao Delegation *[VNA]* 100
New Zealand's Bolger Meets With Le Duc Anh *[Hanoi Radio]* 100
    Attends Opening of Hanoi Embassy *[VNA]* 100
    Departs After Four-Day Visit *[VNA]* 100
Cooperation 'Strengthened' With Sweden, Denmark *[Hanoi International]* 100
Finance Minister Talks With Iraqi Counterpart *[Hanoi International]* 101
    Concludes Visit to Iraq 22 Nov *[Hanoi International]* 101
Do Muoi Receives Delegation of Cuban Workers *[VNA]* 101
Vo Van Kiet Meets UNICEF Executive Director *[VNA]* 101
Prime Minister on Master Plan To Fight Drugs *[VNA]* 101
Leaders Speak at War Veteran Association Meeting *[Hanoi Radio]* 102
Radio Equipment Supplied to 'Grass-Roots Level' *[Hanoi Radio]* 102
Corporation Asks End to Construction Steel Import *[Hanoi Radio]* 102
Construction Ministry Examines Cement Program *[Hanoi Radio]* 102
An Giang Installs Wireless Telephone Network *[Hanoi Radio]* 103
Ministry Revises Regulations on TV Relay Units *[Hanoi Radio]* 103
Construction of Provincial TV Station Begins *[Hanoi Radio]* 104

AUSTRALASIA

Australia

Evans on 'Extreme Disappointment' Over PRC Move *[Melbourne International]* 105

Keating's Portrayal of UK as 'New Enemy' Viewed *[THE AUSTRALIAN FINANCIAL REVIEW 9 Nov]* 105
Government Agrees To Build Mekong River Bridge *[Melbourne International]* 106

Nauru

Preliminary Poll Results Show Political Change *[Melbourne International]* 106
President, Cabinet Retain Seats in Election *[Melbourne International]* 107

Papua New Guinea

Australian Warning of Possible Attacks Protested *[Melbourne International]* 107
Intelligence Chief Named New Defense Force Head *[Melbourne International]* 107

Japan

U.S. Official Cited on Clinton's Delayed Visit

OW2811011195 Tokyo KYODO in English 0049 GMT 28 Nov 95

[FBIS Transcribed Text] Washington, Nov. 27 KYODO — The United States and Japan are on the verge of rescheduling U.S. President Bill Clinton's postponed visit to Japan as late as April because of scheduling difficulties over a U.S.-proposed visit in early January, a U.S. Administration official said Monday [27 November].

The official, speaking on condition of anonymity to KYODO NEWS SERVICE, did not rule out the possibility of Clinton's trip in January, but said the chances have become high for the two countries to settle for an April rescheduling.

The official cited the lingering differences between the two nations over the timing of the President's visit in January, and Clinton's tight schedule between early January and early spring.

Japanese diplomatic sources in Washington said Clinton's trip to Tokyo in early January is no longer likely and the two countries are trying to decide on the timing of a Clinton trip.

In Tokyo over the weekend, Japanese Government sources said Washington had sounded out a three-day tour starting Jan. 3 but Japan wants Clinton's trip to take place in mid-January before the regular Diet session convenes.

An earlier visit would also conflict with the schedule of the imperial family, who have a series of routine new year's engagements, the Japanese sources said.

They said the U.S. Government wants an early trip for Clinton because the President will have to prepare for the annual State of the Union Address set for Jan. 24.

Clinton postponed his scheduled visit to Japan earlier this month to stay in Washington to deal with budget impasse with congress that led to a partial shutdown of the federal government.

Washington and Tokyo have agreed to reschedule Clinton's state visit to Tokyo at an early date to minimize the possible adverse impact on bilateral relations.

On the original schedule, the President was to attend a summit in Osaka of the Asia-Pacific Economic Cooperation forum and to proceed to Tokyo for a meeting with Japanese Prime Minister Tomiichi Murayama and a state dinner at the Imperial Palace.

In Tokyo, Clinton and Murayama were also scheduled to announce a joint statement after yearlong preparations by the two nations to reaffirm the bilateral security alliance and to address the recent strains in their ties.

Attention in Japan was focused on how the two leaders would address the growing outcry over the rape of a schoolgirl in the southernmost island prefecture of Okinawa in early September, for which three U.S. servicemen are now on trial.

In Tokyo, Chief Cabinet Secretary Koken Nosaka told reporters on Tuesday morning that personally he thinks Clinton's visit to Japan would be delayed.

He reiterated that Prime Minister Murayama wants Clinton to make a state visit.

Nosaka said a potential delay in Clinton's trip to Tokyo would not deter the Murayama government from making progress in talks on scaling down U.S. military bases in Okinawa.

Okinawa Objects to Murayama's 'Proxy Signing'

OW2811075395 Naha RYUKYU SHIMPO in Japanese 27 Nov 95 Evening Edition p 1

[FBIS Translated Text] On 26 November, the Okinawa prefectural government firmed up strategy for a lawsuit against the national government over Prime Minister Tomiichi Murayama's legal actions to enforce "proxy signing" of lease contracts for land used by U.S. military facilities. In addition to existing controversies over the property rights of anti-base landlords and the legality of requisitioning procedures enforced by local government bodies, the Okinawa government intends to bring up constitutional issues — such as the inequality of concentrating 75 percent of U.S. bases on Okinawa and the violation of Okinawans' "right to live peacefully." On 27 November, the Okinawa government formally rejected Murayama's recommendation of "proxy signing" by Governor Ota. The governor will officially announce his trial strategy and the lineup of his team of attorneys when he rejects the national government's "proxy signing order," expected in December.

On 26 November, Okinawa government officials held their third meeting of top officials, legal advisers, and attorneys to discuss strategies for a lawsuit against the national government. About 20 attorneys known as specialists in local administration lawsuits will organize a team to press the prefectural government's suit.

According to a concerned party, the 26 November meeting was held to confirm the prefectural government's strategy for the first legal dispute with the national government over compulsory requisitioning of land lots for military facilities. To obtain support from local people, the prefectural government will stress publicizing the reasons for Governor Ota's refusal to do "proxy signing" and the Okinawans' frustration with base problems.

At the trial, Okinawan attorneys will review Okinawa's modern history, citing Japan's annexation of the Kingdom of the Ryukyus, the great sacrifices made during World War II, the U.S. occupation since the 1952 San Francisco Peace Treaty, and the 1972 reversion to Japan. On that ground, the attorneys will insist that 1) the principle of "equality under the law" has never been applied to Okinawa throughout modern history; 2) property rights of anti-base landlords are being violated; and 3) Okinawans' "right to live peacefully" is in jeopardy.y

The attorneys will also argue that 1) the military presence on Okinawa is a great obstacle to efforts to serve the "purposes of local government," such as local economic development; and 2) the prime minister's "proxy signing" order to the governor is illegal because the prime minister has not had the "right to dismiss" governors since the Local Government Law was revised in 1991.

The Okinawa government will not question the constitutionality of the Japan-U.S. Security Treaty because the court has already declared it "constitutional" in a base requisitioning lawsuit filed by the Naha Municipal Office. However, Okinawa will bring up unfair and unlawful implementation of the security treaty and the Japan-U.S. Status of Forces Agreement.

Okinawa To Seek Review of Military Land Law

OW2811094895 Naha OKINAWA TIMES in Japanese 27 Nov 95 Evening Edition p 1

[FBIS Translated Text] At an informal meeting with reporters on the morning of 27 November, Okinawa's Governor Masahide Ota commented on the new consultative body handling issues related to the U.S. military bases on Okinawa. He said: "The national government does not fully understand Okinawa's demands."

He indicated that the Okinawa government will also propose at the meeting of the consultative body's secretariat, which opens on 28 November, a review of the Guntenho [Law on Special Measures to Promote the Conversion of Returned Military Land] and other steps. These proposals will be separate from the five proposals Okinawa has already presented, which include an action program for reorganizing and reducing the military bases.

The secretariat will hold its first meeting on 28 November, with Vice Governor Masanori Yoshimoto and policy coordinator Choko Takayama attending for Okinawa, while the central government will be represented by Deputy Chief Cabinet Secretary Teijiro Furukawa, Director General Masuo Morodomi of the Defense Facilities Administration Agency, and others.

Ota expressed appreciation that at the consultative body's first meeting on 25 November "the Foreign Ministry had come to understand Okinawa's position."

On the other hand, Ota also pointed out a perception gap between the central government and Okinawa. He said: "With regard to reorganizing and reducing the bases, the national government says it would return every bit of land possible. We say returning the land piecemeal will be a problem. We want solid land use projects to be possible after the bases are returned."

Ota also indicated his lingering concern about the government's position on the Japan-U.S. joint statement scheduled to be issued in January 1996, saying: "We do not want the deployment of 47,000 U.S. troops in Japan to be mentioned in the statement; however, apparently the government does not intend to demand this vigorously."

Okinawa Explains U.S. Base Cut Demands

OW2811100695 Tokyo KYODO in English 0953 GMT 28 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 28 KYODO — The Okinawa prefectural government gave a detailed explanation Tuesday [28 November] to the central government of its demands for local U.S. base cutbacks and review of accords on the status of the U.S. military, government officials said.

The government listened to the explanation during Tuesday's working-level consultation at the prime minister's official residence to help decide how it should deal with the Okinawa base issues and how it should discuss the matters with the United States, they said.

The government and Okinawa Prefecture will hold a second working-level meeting Dec. 15. The central government has yet to decide whether it will make any concrete response to the requests at the next gathering, the officials said.

Okinawa prefectural officials detailed Okinawa Gov. Masahide Ota's five requests — calling for base cuts, review of the Japan-U.S. Status of Forces Agreement, signing of accords to check noise from the bases, measures to prevent crimes by U.S. military personnel and a tripartite meeting of Okinawa, the Japanese Government and the U.S. military.

Ota has promoted these requests following the rape of an Okinawa schoolgirl in early September, for which three U.S. servicemen are on trial.

The central and Okinawa governments launched consultations on the U.S. base issues last Saturday, when Ota delivered the requests to the government, aiming to produce a solution within a year.

Some 75 percent of U.S. bases in Japan are concentrated in Okinawa, which accounts only for 0.6 percent of Japan's total land area.

Controversy Over U.S. Security Treaty Viewed

OW2711141895 Tokyo RONZA in Japanese Dec 95 pp 26-32

[Dialogue between Motofumi Asai, professor at Meiji Gakuin University, and Yukio Okamoto, commentator on foreign affairs, moderated by Akio Nomura, ASAHI SHIMBUN deputy chief editorial writer: "Sudden Surfacing of Post-Cold War Demands for 'Review': Should the Japan-U.S. Security Treaty Be Discontinued?"; place and date not given]

[FBIS Translated Text] [Nomura] Lately, several years after the end of the Cold War, discussion about the need to review the Japan-U.S. Security Treaty has arisen both in Japan and the United States. Both governments want to use the Japan-U.S. summit during November's Asia-Pacific Economic Cooperation [APEC] forum as an opportunity to reaffirm the security treaty's significance. Now that the so-called Soviet threat has disappeared and the Asian situation has changed a lot, I want you veteran professionals in foreign affairs to discuss how to view the institution of mutual security based on the Japan-U.S. Security Treaty.

[Asai] Regarding the collapse of the Soviet Union, it must be pointed out that the institution of mutual security underwent a great qualitative change after the latter part of the 1980's, also changing U.S.-Soviet relations. The meaning of the Japan-U.S. Security Treaty should have been reviewed then, instead of now. As a matter of fact, when the Soviet Union underwent changes and Russia was born, hot debate was already under way in Europe over the purpose of the North Atlantic Treaty Organization [NATO] and how it should be dealt with. In contrast, there were no such developments in connection with the Japan-U.S. Security Treaty. I thought it was very extraordinary.

After the Gulf war, the concept of "regional conflicts" surfaced, and Japan cooperated fully in responding to U.S. demands by taking full advantage of the Japan-U.S. Security Treaty, thus driving the atmosphere to such an extreme extent that the mutual security institution was unquestionable. In the United States, however, the Japan-U.S. Security Treaty was strategically incorporated to meet with factors of regional instability in the first place. Under the Clinton administration, various ideas, including the Nye Initiative, have come to the fore, signaling the arrival of a new era for rethinking and attaching new meaning to the Japan-U.S. Security Treaty.

[Okamoto] "The Soviet menace" was a hackneyed phrase used by the government to explain the security pact during Diet deliberations, because it was easy to expound upon and to convince the people. First of all, "the Soviet Union" is not mentioned in the treaty. Despite the phrase in the treaty that says the two nations have a common concern in "maintaining international peace and security in the Far East," the government's answers have taken the Soviet Union too heavily into account. Frankly, that practice seems to have reflected the government feeling that it was all right to say anything about the Soviet Union politically, but that any insinuation about surrounding Asian countries would be met by serious rebuke. Thus the Japanese Government treated neighboring nations with utmost care. In the meantime, relations between the U.S.-Soviet relations changed considerably before the Soviet Union's collapse. Contrarily, Japan has fallen into a state in which all thinking has come to a standstill, and it has carried on the cliche explanation based on a potential Soviet threat.

I agree with the opinion that an early redefinition of the Japan-U.S. Security Treaty should be worked out. The mutual security institution can become effective only when it wins the people's confidence. Because of the unfortunate experience at the time of the treaty's renewal in 1960, the Japanese people still have the persistent feeling that the security treaty was forced on them. Now is the time for open discussions to set the bilateral security institution right.

[Nomura] You two gentlemen agreed that redefining and reviewing the security treaty is necessary. What do you think about the view that, although the Soviet menace has receded, East Asia still embraces a number of unstable factors? The report titled "U.S. Security Strategy for the East Asia-Pacific Region" by U.S. Assistant Secretary of Defense Joseph Nye pointed out that maintaining security should be considered in a more multilateral manner in the future while still maintaining bilateral security treaties, including the one between Japan and the United States. How do you assess the East Asian situation?

[Asai] The unstable factors in East Asia are the biggest reason behind the burgeoning movement to redefine the Japan-U.S. security institution. It has been pointed out that unstable factors in the region are growing, despite the demise of the Soviet Union. The Clinton administration insists on this view. Does this understanding of the international situation really hit on the truth? Take China, for example. Shifts of power in the leadership have been completed, and little possibility exists that the course of reform and the policy of opening up will ever be altered. With respect to policy continuity, China is more stabilized than Japan or the United States. The DPRK, encircled by such giant elephants as the United States, Japan and the ROK, is nothing more than a cat that has to assume a posture of defense. I think it is absurd to insist that this cat is really a ferocious tiger. Russia is probably still the only potential unstable factor in East Asia, if any. Russia, however, is not the point Assistant Defense Secretary Nye emphasizes in his redefinition of the security institution. This is an extremely strange understanding of the international situation.

[Nomura] The Nye report also touched on the China-Taiwan situation as an unstable factor, did it not?

[Asai] In my opinion, China has grounds for having a sense of alertness against Taiwan. Taiwan President Lee Teng-hui's visit of the United States or Taiwan Deputy Premier Hsu Li-te's participation in the Asian Games in Hiroshima were developments that would have been unimaginable when I was chief of the Foreign Ministry's China Division. It looks like the hoops are getting loose. Basic pledges Japan made to China in the 1972 Japan-China joint statement and the 1978 Japan-China Treaty of Peace and Friendship are shaking and Chinese alertness toward such a situation is mounting. China really fears that Taiwan will grow impudent and become an independent nation with a kind of endorsement by the United States and Japan. Certainly the issue of the Taiwan Straits is one of the factors of Asia's instability. However, it must not be forgotten that Taiwan, encouraged by actions of the United States and Japan, is behind such instability.

[Okamoto] I do not agree with your statement that the hoops are getting loose. In my opinion, it is the inevitable flow of history. The times and situation of today's Taiwan is totally different from that in the days of Chiang Kai-shek and Chiang Ching-kuo, of the Kuomintang. When the international situation is making such big structural changes, is it necessary to hold on forever to concepts from more than 20 years ago? Why do you suspend the application of the law of historical development when considering relations between China and Taiwan?

[Asai] It is a question of how the third party is concerned in the historical development, not of suspending thoughts on historical development. With respect to the rule of international relations, a piecemeal breach of promise is unpardonable.

[Nomura] What do you think about the uncertain situation in East Asia as pointed out by the United States, Mr. Okamoto?

[Okamoto] Of course, I do not think China would launch an attack against Japan. The guarantee of security is a kind of insurance against a phase-one situation preceding such a contingency. It is insurance that Japan can be protected at least when insane foreign leaders launch an attack against Japan. I think the cheapest and most realistic insurance is the Japan-U.S. security institution. As long as organizations more powerful than Japan exist at its periphery, it is my feeling that Japan has to continue buying the Japan-U.S. Security Treaty insurance policy.

[Asai] You mentioned insanity, and foreign countries are thinking the same thing. Historically speaking, which side was really insane, Japan or its periphery countries? Japan has not reflected on her past insanity at all, as witnessed by the passing of the Diet resolution on the 50th year after the war. The United States and the United Kingdom were dumbfounded by this.

[Okamoto] I think that the resolution on the 50th year after the war was a shameful composition, too. I can understand the reason China and the ROK regard Japan as a more dangerous country. However, compare the destructive power Japan possesses with that of neighboring countries. Which threat is greater, a Japan that has Self-Defense Forces that are 150,000 men strong, or a nation that has scores of submarines with nuclear missiles aboard sailing nearby seas?

[Nomura] In an article, Chalmers Johnson, a professor at the University of California, pointed out that the Japanese political class has collective amnesia because it is protected by the Japan-U.S. Security Treaty. On the other hand, there is a consensus that the Asian nations feel at ease because the Japan-U.S. security institution serves to check abrupt changes in the Japanese defense system.

[Okamoto] It is true that, because of the Japan-U.S. Security Treaty, the Japanese conservative camp has historically closeted the defense problem that has to be raised for discussion. In this respect, Johnson's remarks are right to the point. I think that Japan is still living on the legacy bequeathed by Nobusuke Kishi's cabinet. Successive Liberal Democratic Party [LDP] cabinets have led the nation on a course of out-and-out economic growth by keeping such unpopular matters as mutual security or defense at a distance. There has been no serious discussion about what minimum defense capabilities Japan could have and how they should be composed. The only binding clause is that defense expenditure should not exceed 1 percent of

GNP, not even by one yen. One yen below this ceiling is considered all right, without any further discussion.

[Asai] You would never know what has become of defense expenditures if not for that checking device. Defense expenditures might have increased a lot at the demand of the United States. Former Prime Minister Takeo Miki was quoted as saying the "1 percent" was not without meaning, that it had some truth in it. Asia can feel safe because the security institution is regarded as something like the lid keeping the Japanese genie in the bottle. If this lid is gone, Asia reasons, Japan may become a monster again.

[Asai continues] On the other hand, for the United States, the security institution is one of its Asian strategies, that is, it is interchangeable. It is very convenient for the United States that Japan regards China as a potential threat and vice versa. I highly regard former German Chancellor Helmut Schmidt's thoughts of the United States. He worries about Europe's future if it continues under the thumb of the United States. He subjectively highly regards relations with France and Poland, which his country invaded in the past. I doubt the wisdom of the Japanese way of looking at China and the Korean peninsula from a confrontational viewpoint. Japanese politics completely lacks the concept of building up important relations with them, because Japan invaded both countries in the past. This kind of situation is being encouraged by the U.S. Asian strategy.

[Okamoto] It is a fact that Japan once was an aggressor nation, and I am dissatisfied with Japanese politicians who are lacking in reflection. As it is, the resolution on the 50th year after the war would only amplify neighboring countries' suspicions about Japan, although such suspicions does not fit today's Japan. I cannot imagine that Japan would ever tread the path to militarism again under any circumstances. Certainly there have been serious social phenomena, such as the apocalyptic Aum Shinrikyo incident and bullying of the weak, that drew attention to the Japanese people's national traits, but I doubt that Japan as a state would dare resort to external violence. Men working in the government, just like private wage-earners, are ordinary human beings who received a democratic education after the war. As for the 1-percent ceiling imposed on defense spending, I have the feeling that the defense spending could have been cut further by financial logic if the ceiling had not existed in the first place. During the Gulf war, East Asian countries willingly let Japanese planes and minesweepers stop over at their airports or harbors. Except for China and the ROK, Asian countries are not considered to have worries about Japan.

[Nomura] What do you think about the U.S. claim that the presence of its armed forces in Asia contributes to stability in the region?

[Okamoto] Asian countries regard the United States as a nation without territorial ambitions. The role of a buffer state most deservedly befits a country that values freedom and democracy. If the U.S. military forces in Japan are gone, Asia's stability would be considerably reduced. China might possibly heighten its territorial ambition toward the Senkaku Islands.

[Asai] Things go most smoothly when big powers support the Asian initiative. However, we must not forget that Japan is viewed as a country that inflicted damage and forced sacrifices on these people. China is not at all a dreadful military power, except for its nuclear capabilities. Asian people think that the unstable factor in Asia emanates from Japan, which does not reflect on its past deeds. Frequent cases of bullying Korean students wearing their traditional costumes in Japan might look like to us like a series of isolated incidents, but to Asian countries they are a reminder of what Japan would do if it moved collectively. For the sake of peace and stability in Asia, it is urgent, as well as important, that Japan relieve them of their wariness about it. Even the United States is worried about the nuclear arming of Japan.

[Okamoto] In the future it is going to be unconstitutional for Japan to arm itself with such offensive weapons as long-distance bombers and intercontinental ballistic missiles. There is absolutely no reality in speaking of the threat of a Japanese invasion against China. On the contrary, China is rapidly amassing its nuclear arsenal, while Japan is reducing its Self-Defense Forces personnel. It is not appropriate that Japan is going to be a military power on the grounds that Japanese defense spending increased a little. Does it not fan an unnecessary sense of threat in Japan?

As for the nuclear arming of Japan, who is contemplating it: the Self-Defense Forces, the government, industry, or ordinary people? This is a totally unfounded rumor. If asked about this, my only answer would be that it is completely beyond imagining.

[Asai] You have said that there is no worry of Japan being a military power as far as the Constitution goes. However, the Nye Initiative is nothing but a demand that essentially requests Japan to go beyond the Constitution. In other words, it asks Japan to recognize the right to a collective self-defense and to upgrade the Japan-U.S. Security Treaty to a military alliance on an equal basis. In essence this is redefining the security institution. The United States questions how far Japan can cooperate in case of contingencies on the Korean peninsula or in Taiwan.

It is such desperate talk that it may be the final blow to the move over scores of years that began with the debate on the constitutionality of the Self-Defense Forces. It would be intolerable if the matter were dealt with in an obscure manner by something like a joint declaration of the Japan-U.S. summit. If it is going to be decided, it must be done the way it was in Germany, by calling for and going through nationwide debate. In that sense, Ichiro Ozawa is honest, because he advocates an open discussion on the Constitution.

[Okamoto] The problem is the scope of the right to collective self-defense and the range of its application. During the Gulf war, the Cabinet Legislation Bureau issued a statement of its understanding that the dispatch of vessels to transport weapons for the multinational coalition forces violated the Constitution. It was strange, because it ignored the fact that U.S. forces are in Japan to defend not only Japan but also the Far East. In the event of rekindled hostilities on the Korean peninsula, it is natural for Japan to support the U.S. forces. However, the rule of the Cabinet Legislation Bureau makes it impossible. For example, it is my opinion that providing means of transport does not belong in the category of the right to collective self-defense. Suppose that the ROK were defeated. What is the use of discussion, if Japan were also defeated because it had adhered to the understanding of the Cabinet Legislation Bureau, with the nation lost but the Cabinet Legislation Bureau's rule surviving?

The Japan-U.S. security institution is an arrangement to safeguard the peace and security of the Far East by the tight combination of the U.S. right to collective self-defense and Japan's individual right to self-defense. Although interpretations may vary, there are of course ways to support the U.S. forces without violating the Constitution. I am talking about the phase before debating such daring subjects as working out legislation to be applied in the event of contingencies.

[Asai] The Taiwan Straits have a higher contingency possibility than the Korean peninsula. When hostility begins, U.S. forces will automatically be mobilized to intervene. If such action were unconditionally permitted, Japan would be in total confrontation with China. The excuse that "Japan has only provided the United States with base facilities, because it is bound by the security treaty" would not be accepted.

[Okamoto] Japan is allowed by the Constitution to say "yes" to U.S. war planes taking off from Kadena Air Base for the Taiwan Strait. The Japan-U.S. Security Treaty exists for that purpose. It is a matter of policy judgment whether Japan supports U.S. forces bound for Taiwan. No matter which side, Taiwan or China, started the trouble, it is better for the United States to be on the scene as a deterrent power to restore peace in the Far East. Japan must support the effort for the sake of Far Eastern peace. The problem of interpreting the Constitution will be settled in time and with the people's common sense, because the people are clever.

[Asai] I do not think it is a policy judgment to automatically permit the U.S. to take action. I think it is another policy judgment that Japan stop that action from happening and seek ways to avert having arms settle matters. Peace in the Far East is not in the hands of the United States, and I am asking where Japan's subjective judgment is. I say that Japan's peace and safety will be blown to pieces if China makes a desperate resort to nuclear means.

[Nomura] In that connection, I would like to ask you how we should view the security institution and what is asked of Japanese politics.

[Okamoto] The government should talk to the people in a lucid tone. It should ask them whether it is necessary to protect the safety of our way of life. If the answer is yes, it should ask them to pick one of three options: One, Japan goes completely naked [unarmed]; two, Japan greatly reinforces the Self-Defense Forces to raise its level to that of neighboring countries; and three, Japan carries on as is. I think that public opinion will come to agree on the third option in the long run. In addition, the government should discuss the sacrifices being forced on Okinawa, and at the same time inform people how things look in neighboring countries.

[Asai] That is in reverse order. What to do with the security institution is the conclusion, to be made in the end. There cannot be three options all of sudden, if the government is conscious of answering to people's trust. First must come a cool-headed recognition and analysis of the situation facing Japan, followed by a request for the people's consensus. In the 50 years since the war, there has never been any serious debate about the Constitution. Politics should try to seek a national consensus about Japan's future course by putting up for thorough and complete debate all policies, including the triple nonnuclear principle to not make, possess, or bring in nuclear weapons, and the nuclear umbrella policy.

[Nomura] There is an opinion that it is not constructive to have shaky Japan-U.S. relations as a result of dissolving the security arrangement and that a regional security arrangement, a framework of multinational security, should be worked out in parallel with a review of the Japan-U.S. security institution. This reminds us that we should learn something from the history of the

Cold War. What do you think the Japanese objective is regarding regional security in Asia?

[Asai] If Japan cannot talk frankly with the United States about the security institution, she cannot hope to take the initiative in working out multilateral security arrangements. All foreign relations should be a means for attaining objectives. It is a reversal of logic to claim that Japan's safety is secured because it has the security institution.

[Asai continues] Germany thought about what NATO meant to it. It meant NATO is not maintained because the United States demands it, but that the United States should be commissioned with roles to keep Europe safe. Because the United States offered to redefine the security institution, Japan better take the chance to involve people from both nations in the debate. I think it is all right then to go into discussions about the multilateral security arrangements, as the situation demands.

[Nomura] In Okinawa, there was an alleged rape of a schoolgirl by U.S. soldiers. Initial reaction to the case, including reaction by the mass media, was very slow. The Japanese Government, headed by the Foreign Ministry, consistently kept an attitude of settling the case amicably for fear of damaging the foundation of the Japan-U.S. security institution. Contrary to expectations, this has produced doubt about the meaning of the security institution among the people. The Japanese Government failed to show a clear attitude and message to the world when China and France conducted nuclear tests.

[Okamoto] The Okinawan incident was a really villainous criminal case, and it had nothing to do with the military's official duties. In consideration of people's feeling about the case, the government should get custody of the alleged criminals as early as possible. However, the case must not be discussed in connection with the need for the security institution. Such an idea must be discussed separate from the incident.

Most important in the relationship between Japan and the United States is Japan's security and what should be done to protect it. I do not deny a multilateral security arrangement is feasible in the future, but a bilateral security arrangement such as the Japan-U.S. Security Treaty cannot yet be belittled as behind the times. Basically, an insurance policy cannot be bought if you do not have the view that man's inborn nature is evil. It should be on this order that Japan calls on neighboring countries to reduce their military strength to Japan's level and appeals for a discussion of a multilateral security institution.

[Asai] I find there is something in common regarding the nuclear tests and the incident in Okinawa. The government does not reveal its real mind about either case. When the dates are set for redefining the security treaty, the Okinawan incident took place. The panic-stricken government even attempted to suppress it. Japan was very fainthearted in dealing with China and France when they resumed their nuclear tests. This is because Japan can never touch on the U.S. nuclear issue. Both China and France take advantage of Japan's helpless condition. They are desperate to conduct experiments because of the fear that others' nuclear arms may be aimed at them at any time. In such a situation, Japan's halfhearted protests would not be expected to touch a cord in their hearts. I think that their logic and replies are that "Japan should loudly demand the elimination of nuclear arms, not the suspension of nuclear tests, to the United States on at least the same level as it makes demands of us."

The role of the mass media is great in a country where politicians are manipulated by mood. However, those media are not clarifying what the point of criticism is. As it stands now, the Okinawan issue may disappear in the long run. Nobody has yet spoken the truth about the essence of redefining the Japan-U.S. Security Treaty. In the first place the mood stressing the need for redefining the security treaty is prevailing over the government and a mass media that keeps silence on the subject.

Takemura on Greenspan's Remarks on Daiwa Case

OW2811043395 Tokyo KYODO in English 0201 GMT 28 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 28 KYODO — Finance Minister Masayoshi Takemura said Tuesday [28 November] that the U.S. monetary head's regret over Japan's handling of financial fraud by Daiwa Bank reflects Washington's position.

Takemura said at a news conference, "I believe he voiced regret from the U.S. viewpoint after understanding that we by no means delayed reporting or concealed the case on purpose."

He said he has already conveyed his regret for the reporting failure to U.S. Treasury Secretary Robert Rubin over the phone.

Testifying Monday before the Senate Banking, Housing and Urban Affairs Committee, U.S. Federal Reserve Board Chairman Alan Greenspan voiced regret over the Finance Ministry's 40-day delay in informing the U.S. authorities after being notified by Daiwa Bank.

Daiwa is currently facing charges in New York of conspiring with Toshihide Iguchi, a 44-year-old former bond trader at its New York branch, to hide from U.S. regulators losses he had incurred over a period of 11 years through unauthorized bond trading.

In a related development, Takemura said the vice finance minister for international affairs has sent a letter to the U.S. authorities to explain the background of the Daiwa case.

Takemura denied, however, that the letter contained words of apology.

Hashimoto Reaffirms Need for Arms Exports Ban

OW2811053395 Tokyo KYODO in English 0505 GMT 28 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 28 KYODO — Trade Minister Ryutaro Hashimoto called Tuesday [28 November] for measures to prop up the defense industry which has been affected by the scaling back of Japan's defense capabilities.

But Hashimoto, head of the Ministry of International Trade and Industry (MITI), stressed to reporters that he does not mean to propose that the three principles prohibiting weapons exports should be disregarded, though such exports might help boost earnings at defense contractors.

The tripartite governing coalition is currently split over whether the principles should be included in a revised defense program outline, which is to replace the present one formulated in 1976.

The three principles banning arms exports were first formulated in 1967 and revised in 1976 to include a ban on exports of weapons-manufacturing equipment.

Prime Minister Tomiichi Murayama's Social Democratic Party and New Party Sakigake, the two smaller members of the coalition, are calling for the principles to be set out in the new program, while the Liberal Democratic Party (LDP) is against the idea.

Hashimoto, who is the President of the LDP, said it would be natural to have discussions on a possible new element in the defense program. But he added he personally believes the principles banning arms exports would be incompatible with the outline.

"Japan has cooperated with the United States on the research and development (of next-generation fighter planes) within the limit of the principles, while paving the way for supplying the U.S. with civil technology for conversion to military purposes under a certain regulation," Hashimoto said. "I have no intention of changing that."

Asked about an expected further delay in U.S. President Bill Clinton's visit to Japan, Hashimoto said he has not been informed of it yet, but added he has been told that it would be difficult to treat Clinton as a state guest if he came in early January.

Credentials of Ambassadors Seen Lacking

952A0801A Tokyo SEIRON in Japanese Oct 95 pp 112-127

[Article by Yoshihisa Komori, SANKEI SHIMBUN special editorial correspondent in Washington, D.C.]

[FBIS Translated Text] A terrible fate awaits Japan if it persists in its anachronistic system of selecting ambassadors, ignoring the rule of "the right man in the right position," and allowing short tours of duty. Immediately after Hisakazu Kuriyama, the current ambassador to the United States, assumed his post in Washington in the spring of 1992, he underwent special training in speaking before television cameras. The lecturer was Kevin Delaney, a former veteran broadcast reporter who had served as a special correspondent for ABC television in Tokyo and Saigon.

Also participating in the training class were Minister Hiroshi Hirabayashi, the No. 2 man at the Japanese Embassy (present director of the Economic Cooperation Bureau), and Minister Seiichiro Noboru, who was the economic minister (present consul general in Los Angeles).

The spring of 1992 was a period of tension in U.S.-Japan relations when the U.S. attitude toward Japan, both official and private, decisively worsened due to Japan's confused behavior during the Gulf War. It was also a period called the "worst postwar period in U.S.-Japan relations."

Ryohei Murata, the previous envoy, was suddenly transferred to the embassy in Germany after only two years at his U.S. post. For the new ambassador, it was truly an assignment to Washington amid turbulence and upheaval. It goes without saying that an ambassador who just arrived is extremely busy. Moreover, he faced tension and difficult U.S.-Japan relations. He presumably faced a tight schedule after assuming office and could hardly spare a minute or second. It is interesting that he spent a whole day receiving basic training in speaking before an audience given the circumstances.

Why did the new ambassador and the top officials at the Japanese Embassy receive training in an area not directly related to normal diplomatic activity at such a busy time? At least two clear answers come to mind regarding this question.

First, for the new ambassador to the United States, it is of utmost importance to make statements on American TV and speak at public forums.

The ambassador's duties are naturally wide in range, but his normal activities consist of receiving orders from Japan and negotiating with the host government or grappling with intergovernmental affairs.

However, the scope of the ambassador's duties broadens sharply when relations become multilayered and diverse like recent relations between Japan and other nations. Particularly in relations with an open and mature democracy like the United States, it is important to outline Japan's position not only to the U.S. Government, but also to the Congress, the media, and the general public.

In cases where it is possible for a representative of a foreign nation to directly influence a nation's policy formation or public opinion, it has also become an indispensable duty of the ambassador of Japan to exert such efforts. In the case of the United States, opportunities have become abundant for the Japanese ambassador to make these types of appeals. In fact, frequent requests are received from various strata of the U.S. Government and the people for the views of Japanese representatives.

In the U.S. capital, there has been an extraordinary expansion of requests of this nature for the Japanese ambassador. These circumstances are a pole apart from the 1970's when interest among the U.S. public concerning Japanese-related themes was not very strong. Also based on my observations during my first tour as Washington special correspondent, there were hardly any cases where the Japanese ambassador appeared on U.S. television nationwide or participated in symposiums sponsored by leading research institutes and universities.

Today, however, it has become customary for U.S. television anchors to ask the views of the Japanese side in news programs and debate forums concerning the U.S.-Japan auto negotiations, airline transport talks, or the problem of apologies for the last war. The Japanese ambassador is usually called to be the government's representative.

In addition to television, the Japanese ambassador is invited to speak at symposiums, seminars, open debates, and lecture meetings with Japan-related issues or themes. In other words, there has been a sharp demand for the Japanese ambassador to function as "Japan's face" before the U.S. public, and this duty has actually become an important part of the ambassador's responsibilities.

Therefore, for Ambassador Kuriyama, learning techniques to speak in open forums in the United States soon after assuming his post and putting aside his other duties may be regarded as a duty of supreme importance for "Japan's face."

The second significant point of the ad hoc training is that, despite such a qualitative change in diplomacy with the United States, Japan's Ministry of Foreign Affairs [MOFA] is not conducting this type of training. This indicates a lack of emphasis on such training.

Hisakazu Kuriyama is a superveteran among MOFA bureaucrats. He is also regarded as a top pro-American diplomat within the MOFA. He served for 30 years in the diplomatic corps when he became ambassador to the United States. He trained at an American university and served successively as counselor for political affairs at the Washington embassy, director of the North American bureau in Tokyo, director of the treaties bureau, ambassador to Malaysia, and deputy foreign minister. He is a very senior MOFA official.

Nevertheless, the reason he had to hastily learn the basic techniques of speaking on television and making statements and debating in public forums after his arrival in Washington is because he had not received proper training during his lengthy diplomatic career. If he had already acquired the methods and techniques of public speaking and similar general skills, he would not have found it necessary to devote his precious time to study amid his busy schedule so soon after arriving at his new post.

Even Kuriyama, with his span of nearly 40 years in dealing with the United States as a diplomat, was required to undergo last-minute training. It proves that MOFA has not provided prior systematic training in public speaking in foreign languages.

Sorry Qualities as Japan's Representatives

The English-language performance of the MOFA spokesmen makes this point very clear. The MOFA spokesman represents the entire MOFA vis-a-vis foreign nations. He serves as the spokesman for the entire Japanese Government at G-7 summits. In many cases, however, his public speaking ability in English is often inadequate as Japan's representative. Recent spokesmen like Masamichi Hanabusa (present envoy to Italy) and Terusuke Terada (present ambassador to Mexico) were halting in their English statements, and they were unqualified to make square and open statements as Japan's representatives before the international community or to debate on equal terms.

Although both men are superior diplomats, they are specialists in cultural exchanges with Spanish language training, and their public speaking in English was apparently a newly added duty. The post of MOFA spokesman itself, despite its importance, is merely rotated among the senior MOFA bureaucrats of a given entry class. It is a post allocated to MOFA bureau chiefs based on seniority. They are not particularly chosen because of their public speaking experience or capability.

This seems to indicate that the MOFA does not respond to the present need for qualified diplomats demanded by Japan's diplomatic policy. It seems to prove that efforts have not been made to fulfill the new qualifications found to be indispensable for Japanese diplomats in the new era of diplomatic activity in the United States. Certainly more than a decade ago in Washington, the Japanese ambassador was not required to be proficient in public speaking. It was merely considered desirable, so to speak. The impression was that all that was required of the ambassador was to make contacts with high-level U.S. Government officials, with Congressmen, and with diplomats of third nations at unofficial functions; to interact with them; and to consult intelligently with them.

Today, however, the ability to effectively make statements at public forums has even become an indispensable skill for an ambassador to the United States. Compared to a decade or more ago, it is an unimaginable change. If MOFA had coped effectively with this change in diplomacy with the United States, the situation of a newly arrived ambassador having to undergo special training in public speaking would not have arisen.

More than three years have passed since Ambassador Kuriyama arrived at his post. However, the ambassador's reputation in both Japan and the United States is not flattering.

First, regarding his public speaking as "Japan's face," many Americans say that although Ambassador Kuriyama's English is pretty good, he is rigid and lacks warmth. The result is he enjoys little positive appeal among the U.S. public" (a Japan researcher at a major think tank).

In order to produce a positive effect when talking to the U.S. public through television debates and open symposiums, the prerequisite condition is to give a simple and favorable impression to ordinary Americans on a human level. To make such an impression, a certain standard of English ability is of course necessary, but also a bright and warm expression, vitality that shows a positive posture, and a frank and friendly manner of speaking with a sense of humor are important.

However, despite his fluent English, Ambassador Kuriyama's other attributes are generally the opposite. Frankly, he is inappropriate as a speaker who stirs appeal and interest among Americans in general as "Japan's face."

In pointing this out, I have absolutely no intention of a personal attack. I am merely describing the U.S. reaction to a public figure who is Japan's envoy to the United States. Of course, this evaluation of Ambassador Kuriyama has already been publicized in Japan.

"When Ambassador Hisakazu Kuriyama gave a speech at the Japan Society soon after his arrival in Washington, the strange spectacle of many Americans falling asleep illustrates the flaws of Japan's diplomacy. [passage omitted] The content of the speech was too officious and lacked heartwarming appeal. I was told by an American friend of his strong dissatisfaction, and was surprised" (from an article by Tadae Takubo entitled "Questioning MOFA's Grave Sin: Evaluation of Responsibility Concerning the Appointment of Ambassadors to the U.S.," carried in THIS IS YOMIURI, November 1992).

"South Korea's Ambassador Han Sung-su is certainly fluent in English, but above all he has a sense of humor, is richly conversant, and is popular in (Washington) society. Therefore, he is always flooded with requests to speak. On the other hand, Ambassador Kuriyama speaks excellent English, but his talks are not interesting and he is seldom asked to speak. [passage omitted] Unfortunately, the Japanese ambassador falls far behind the South Korean ambassador" (from an article by Takao Saikawa entitled "Who Makes the Decisions in the Case of U.S.-Japan Negotiations?" carried in BUNGEI SHUNJU, February 1994).

I also watched Ambassador Kuriyama's recent appearance on PBS-TV, in which he was replying to questions on the U.S.-Japan auto issue. In June 1995, the auto talks were still not settled and it was a period of tension with possible sanctions by the U.S. side.

The ambassador merely reiterated the stereotyped rebuttal in a rigid tone that "numerical goals are not good." He merely repeated the trite contention often made by high MITI [Ministry of International Trade and Industry] officials in negotiations, giving a performance which was neither appealing nor polished. I wanted to hear a comprehensive argument from a macro viewpoint on how the U.S.-Japan clash on the auto issue at this point impacts on mutual relations overall, particularly the repercussions on security relations. However, I was disappointed by his simple repetition of the bargaining position at the auto talks.

Ambassador Kuriyama a "Cold Fish"

There is also frequent criticism of Ambassador Kuriyama from those concerned on both the U.S. and Japanese sides that "he does not have much political clout."

The duties of the ambassador to the United States include direct contact with the principal members of the U.S. Government and the Congress to seek understanding and agreement with Japan's position. This kind of behind-the-scenes activity may be considered more crucial than public speaking performances on the front stage from the standpoint of traditional norms of diplomatic activity. It is an activity which directly conveys information from the Japanese side to high officials of the U.S. Government and the Congress and which makes contentions and lobbies to turn U.S. policies and awareness vis-a-vis Japan to Japan's advantage.

Today when U.S.-Japan relations have deteriorated so much over economic issues, such behind-the-scenes political diplomacy becomes increasingly crucial.

However, a certain senator's assistant who is deeply involved in U.S.-Japan relations describes Ambassador Kuriyama as follows: "The current ambassador has no presence in the Congress. The Congressmen occasionally discuss the foreign ambassadors in Washington and say: 'Oh, he is a fine fellow.' However, there has been no mention of Ambassador Kuriyama since his arrival more than three years ago. He has no personal connections in the Congress. Ambassador Kuriyama lacks the openness to tap a congressman on the shoulder and crack jokes. I wonder if he is a cold fish."

A "cold fish" literally means a lackluster person who gives a cold impression.

A veteran official who handled Japan affairs for many years at the Department of State also says: "Compared with past ambassadors, Ambassador Kuriyama has little exchange with the members of the U.S. Government and the Congress."

"Compared with Ambassador Nobuo Matsunaga in the 1980's, he appears to have extremely few close exchanges and contacts with the top officials of the government agencies involved with Japan affairs like the Department of State and the USTR [U.S. Trade Representative], or with congressmen who issue statements and engage in activities concerning Japan."

Kevin Cairns [as transliterated], a former diplomat in charge of the Japan desk at the Department of State and current chairman of the U.S. Business Industry Council, declares: "The current Japanese ambassador lacks political presence to the point that he is virtually nonexistent as far as U.S.-Japan relations in Washington are concerned."

In fact, there have been rumors that it took six months after Warren Christopher's appointment as the Secretary of State for Ambassador Kuriyama to meet the secretary.

In the present situation, when the base of the mutual security alliance has weakened and trade frictions have strangely deepened, it is crucial for the top echelons of both the U.S. and Japanese Governments to at least firmly maintain the political reins on an unofficial dimension. There is no more important period than the present for the Japanese side to use political influence in making contacts. However, the Japanese ambassador who must stand at the vanguard of responsibility makes few attempts to make political inroads through contact and exchange.

Cairns continues his harsh criticism of Ambassador Kuriyama as follows: "In assiduously pursuing U.S.-Japan relations, no case can be found of the present ambassador having accomplished anything. There is no image. There is no performance. He can only be described as 'faceless.' There is the impression that political contacts with the U.S. side is left to the Americans who are Japan lobbyists."

It is probably a fact that, during the three years or more since Ambassador Kuriyama's arrival, U.S.-Japan relations have shown the sharpest deterioration in the long postwar history. The U.S. attitude toward Japan has turned especially sour during the three years.

Of course the Japanese ambassador alone cannot be blamed, but based on an evaluation of Ambassador Kuriyama's past performance, the first basis for judgment that can be pointed out is the unprecedented souring of bilateral relations, and particularly the deterioration in the U.S. stance toward Japan. It is, of course, the major responsibility of the Japanese ambassador to the United States to prevent such a situation as much as possible. From that standpoint, the question naturally arises as to what the ambassador has done during the past three years. Serious doubt clearly exists concerning Ambassador Kuriyama's qualifications and ability as Japan's representative to the United States during the period.

If so, why was a more qualified ambassador not appointed to cope with U.S.-Japan relations, which are so tense, worsening, and showing ominous signs? This question is inseparable from the question of why a person like Ambassador Kuriyama was selected as ambassador to the United States.

A simple answer is that it was because Kuriyama was the administrative vice minister. A broader explanation is that MOFA's peculiar system of selecting ambassadors was the main factor.

Ambassadors to the United States Who Do Not Know America

MOFA has continued a personnel system for more than 30 years whereby it automatically appoints bureaucrats serving as administrative vice ministers to the post of ambassador to the United States.

From the 1960's, the successive ambassadors to the United States, including Ryuji Takeuchi, Takeshi Shimoda, Nobuhiko Ushiba, So Yasukawa, Fumihiko Togo, Yoshio Okawara, Nobuo Matsunaga, Ryohei Murata, and Hisakazu Kuriyama were formerly vice ministers with the exception of Okawara. Following long and illustrious diplomatic careers, they were appointed vice ministers and rewarded by being sent to Washington.

Of course they were all outstanding diplomats who reached the vice minister post. Washington was probably regarded as an extremely important post which could only be served well by a veteran with experience as vice minister. There were actually cases like Messrs Shimoda and Ushiba who performed splendidly and were lauded as superior ambassadors.

However, generally speaking, it was considered inconsequential whether the veteran bureaucrats had capabilities, qualities, and experience as Japan's representatives to the United States. Their areas of expertise during their diplomatic careers before becoming vice minister did not matter at all. If one had coincidentally specialized in American affairs during his career, it would be logical for him to be escalated from vice minister to ambassador in Washington. However, there have been numerous cases where a vice minister with no direct involvement with the United States became ambassador to the United States merely because he was vice minister.

Until the 1960's when Japan was of little concern to the United States and U.S.-Japan relations were not so broad, excluding the mutual security system, and with few pending problems and frictions, it would not have mattered very much. However, this antiquated personnel system continued even in the 1980's and 1990's when mutual relations broadened in multiple forms, and the words and actions of the Japanese ambassadors to the United States came to be of major significance for both sides.

Because a vice minister automatically assumes the ambassadorship in the United States, no consideration is paid to the area of expertise or language wherein he accumulated experience and knowledge. Conditions such as his knowledge of the United States or his ability to speak English correctly are not considered at all. Moreover, his ability to communicate with Americans in general or his ability to build trust with U.S. politicians are completely ignored.

Normally, when one passes the senior MOFA employee exam and becomes a so-called 'career diplomat,' he is sent overseas principally for language training during the first two years. For the two dozen or more persons who are hired every year as career diplomats, the language to which one is assigned at the outset generally influences his entire career. The languages of intensive training for career diplomats—i.e. senior-grade bureaucrats—include English, French, Russian, German, Chinese, Spanish, and Arabic. The language one studies at the beginning serves as the basic guideline for his area of expertise. Among them, an overwhelming majority of Japan's diplomats major in English. In such cases, following their training, positions in MOFA which deal with English-speaking nations or assignments in such nations are normal. However, given the international nature of English, many are assigned to areas other than English-speaking nations or regions and related affairs.

In contrast, specialists in the French or German languages are more likely to be in charge of nations where they will be of direct use. The assignment of those majoring in Russian or Chinese becomes more specialized.

Looking at the successive vice ministers from this vantage point, a majority of English specialists do not necessarily become vice ministers. There are many MOFA bureaucrats specializing in French, German, or Chinese who have long service in their specific languages and are promoted to the rank of vice minister.

Although they are not fluent in English, they understand English to some extent because they are professional diplomats. What we mean is that they have not reached the level of debating on equal terms in Washington.

In recent years, Nobuo Matsunaga, who specialized in French and had not served in any English-speaking nations, became ambassador to the United States in 1985 after a stint as foreign vice minister. First, he was a man of political stamina and action. He formed broad friendships with high U.S. Government officials and influential congressmen, and left a splendid record of achievement.

During his Washington service of more than four years, the first two years turned out to be on-the-job training for him. At the outset, comments were often heard from the U.S. side that "Mister Matsunaga's English is difficult to understand."

In the fall of 1986, the then Prime Minister Yasuhiro Nakasone made a discriminatory remark about U.S. blacks and was severely criticized by the U.S. side. Nakasone later publicly apologized.

Ambassador Matsunaga was instructed to inform the Congressional Black Caucus about the document of apology and he set out for the Congress. He read the English text before the black congressmen in front of the capitol, and the scene was portrayed in detail on U.S. television.

However, English subtitles were shown on the television. Ambassador Matsunaga read the text aloud in English and his pronunciation was clearly heard, yet the pictures on the screen carried English subtitles below them. This was done because it was judged that the ambassador's English might be unintelligible to U.S. viewers in general. Incidentally, Ambassador Matsunaga also underwent special training after his arrival in speaking English before the cameras and in public forums. His instructor was the same aforementioned ABC-TV reporter, Kevin Cairns.

Ryohei Murata, who was ambassador to the United States from 1990 to 1992 with the Gulf War in between, was a former vice minister majoring in German. He did have some service in the United States, but his areas of expertise were Germany and Europe in general. As a diplomat of this type, he was a thinking-type of diplomat who could have used his superior talents more efficiently in complicated policy-making or research instead of jumping around Washington to make contacts with various classes of Americans. Regarding his English ability, Murata was a modest man who frankly admitted: "I had difficulty understanding due to my English ability." In effect, he was a diplomat who was more efficient grappling with problems in Germany or Europe than in the United States.

There was actually a recent ambassador to the United States who hired a tutor to practice English conversation.

After Murata came Kuriyama, who despite being pro-America lacks public appeal and political clout. Also, Kunihiko Saito, who has been appointed his successor after serving as vice minister, is a MOFA bureaucrat with no previous service in the United States, although he trained as a novice diplomat in Britain.

Saito himself had declined the U.S. post several times because of his lack of experience in America, but was persuaded by his colleagues and has reportedly accepted unofficially. The MOFA bureaucrats, who are striving to protect their custom of escalating personnel from 'vice minister to Washington,' are apparently disseminating the strange rhetoric that "the change in U.S.-Japan relations will benefit the ambassador who is unfamiliar with America."

Logic of "The Right Man in the Right Position" Ignored.

In effect, in the selection of the envoy to the United States which is of utmost importance to Japan's diplomacy, the qualifications of the candidate in light of present mutual relations, his special abilities, and his traits are virtually ignored. The qualities and traits required of the Japanese ambassadors in Washington today are overlooked and rigid rules governing bureaucratic personnel are given priority.

However, such anachronistic diplomatic personnel practices are not limited to the appointment of ambassadors to the United States. On the contrary, the selection of the ambassadors to the United States appear to be better than the selection of ambassadors to other principal nations.

In Japan's present-day diplomacy, there are ambassadors to China who not only lack understanding of the Chinese language but also do not have experience in diplomacy with China, ambassadors to Russia who do not know Russian, ambassadors to Germany who cannot speak German, and ambassadors to Italy with no Italian language capability.

These ambassadors are all plenipotentiary ambassadors. They carry credentials from the Emperor to the head-of-state of the host nations and assume their positions as representatives of the Japanese Government and the Japanese people. The plenipotentiary ambassador, who is given a variety of international privileges, has the responsibility of working for amity with the host nation, keeping track of their moves, negotiating with them, informing them of Japan's policies and circumstances, and protecting the lives and property of Japanese residents in the host nation. The aforementioned role as "Japan's face" and political overtures to the host nation are also part of his duties.

Although the plenipotentiary ambassador and ministers are public servants, they are special occupations which are exempt from the national employee act and are afforded a variety of special privileges and benefits. They are distinguished from the MOFA bureaucrats in general and are included in the same category with cabinet members and Diet members in terms of rank. Consequently, it is not necessary to select a plenipotentiary ambassador or minister from the diplomats in general or the MOFA bureaucrats. In reality, however, they are monopolized by the MOFA bureaucrats. It is probably based on the premise that a MOFA bureaucrat is best qualified and capable of serving as ambassador.

However, such a premise may be considered a legacy from a past era when Japanese ambassadors were few in number, when travel overseas by the Japanese was restricted, and when few Japanese had experience and knowledge about foreign nations.

MOFA's fossilized system is unable to keep up with the dynamic expansion of relations with foreign nations by Japan and the Japanese people. As a result, it successively sends ambassadors abroad who cannot speak the languages of the host nations or are unfamiliar with their real circumstances.

For example, the current ambassador to China, Yoshiyasu Sato, has been engaged in American affairs for many years, having served as minister in the United States and director of the economic bureau, while his direct involvement in China affairs was virtually zero. Having no background in the Chinese language, his direct negotiations with the Chinese side and information-gathering are left entirely to others despite the present tense period in Japan-China relations.

Ambassador to Russia Koji Watanabe is also an English specialist who was active in trade talks with the United States as director of the economic bureau. He is one of the few pro-America bureaucrats in MOFA and if he were to be transferred as ambassador to the United States, he is reportedly capable of performing from the next day at least on a par with the successive ambassadors of the past. However, he is incapable of using Russian and Russian issues are not his area of expertise. According to Japanese reporters stationed in Moscow, for these reasons Ambassador Watanabe is unable to make active contacts with key figures in Russian political circles. Despite calls from the local media and important opportunities to appeal Japan's case directly before the Russian people, he is forced to pass them up. The fact is that, in the eyes of the Russian public, he has become a vague figure whose presence is unknown.

Ambassador to Germany Tatsuo Arima is another pro-America diplomat who makes it publicly known that he is a Harvard graduate. He reportedly is not conversant in German. Compared to his predecessor, Ryohei Murata, his knowledge and experience concerning Germany are said to be at a child's level.

On a personal note, I visited Sao Paulo, Brazil this June. The reason was that I was invited to a symposium on the centennial anniversary of Japan-Brazil amity relations. First, the resident Japanese representatives invited key Brazilian figures to a big party. The first lady was the main guest.

One of the guests, Japanese Ambassador Hideyuki Ukawa, gave a speech in Japanese and frankly admitted: "I do not understand the Portuguese language."

This was a surprise. He seemed to imply that he was proud to declare that it is normal for recent Japanese ambassadors to be ignorant of the languages of the host nations. Portuguese is, of course, Brazil's national language.

To repeat, not knowing the language of the host nation means being incapable of direct exchange with the various classes of people of the host nation, and lacking knowledge of its conditions. That in itself becomes a major handicap in performing duties as the ambassador.

"The Japanese Ambassador Is a Lame Duck"

If ignoring the rule of "the right man in the right position" is the first flaw in an anachronistic personnel system, the second flaw is the extreme brevity of the ambassador's tour of duty.

A recent extreme example was Ambassador Kazuo Ogura in Vietnam (currently MOFA councilor). He arrived in Hanoi as plenipotentiary ambassador in August 1994, but had already received an unofficial notice in May 1995 to return to Tokyo. His net term was eight months, which is shorter than a Japanese high school student's home stay in the United States. It is equal to the time consumed by a company employee assigned overseas in moving and making rounds of courtesy calls.

Vietnam is an important object of Japan's Asia diplomacy. Prime Minister Murayama has visited there and the secretary general of the Vietnam Communist Party has been invited to Japan. A plenipotentiary ambassador was sent to that nation at considerable cost and had barely settled down to announce that he was "the resident Japanese ambassador" when he returned home. It is an insult to both the Japanese people and the host nation.

The tour of duty of Kiyohiko Arafune as ambassador to Nicaragua (presently director of the Central America bureau and currently awaiting next orders) was exactly one year beginning in July 1992. Anyone with experience in service overseas would know the inefficiency of being stationed abroad for only a year after carrying a full load of household effects to the opposite side of the earth.

The ambassadors to Italy since the 1990's including Shinichiro Asao, Koji Watanabe, and Masamichi Hanabusa were all hastily succeeded by English specialists after serving a year and a half. They were all bureaucrats without the slightest knowledge of the Italian language. The ambassador post is like a rest stop before the next appointment. If I were an Italian who seriously thinks about friendship with Japan, I would probably be furious with the Japanese ambassadors who came to my country as totally unrelated people with no knowledge of my country.

The abnormally short stays are not limited to ambassadors.

Ryozo Kato, current director of the Asia bureau, returned home after serving as consul general in San Francisco for only a year and three months, and assumed his current post. The consul general in Los Angeles also changed after about a year and a half.

There are large Japanese-American and Japanese local populations in both cities. The Japanese consul general has played a unique role among them as Japan's symbol. He is required to be familiar with the Japanese-American community, become a central figure, and maintain close exchanges with the residents. Yet, recently, the consul generals depart when they have barely become familiar figures. I have heard numerous complaints from local residents venting their frustrations.

The third problem is that MOFA bureaucrats facing imminent retirement are invariably appointed as ambassadors to principal nations such as the United States and Russia.

A former U.S. Government high official who observed Japan's diplomacy for more than 30 years once said: "The Japanese ambassadors sent to the principal nations are all lame ducks."

A lame duck, meaning "a duck with bad legs," is used to describe a politician whose election loss "has been decided" or "a powerless figure."

In this case, it means that after Japan's ambassadors finish their tours of duty, they retire with no prospect of ever again becoming directly involved in Japan's diplomacy or national government, and they carry no clout as far as the host nations are concerned.

Certainly, the current ambassadors to principal advanced nations such as the United States, Russia, Britain, France, Germany, China, Australia, and Canada are all predecessors of MOFA Vice Minister Sadayuki Hayashi and, on completing their current assignments, will definitely leave MOFA according to seniority. Many will be reemployed by trading companies and major hotels.

To put it bluntly, they are people who are considered over-the-hill in Japan's bureaucracy. They can no longer work feverishly at their posts to achieve results with the zeal to score on the next battleground. They are elder bureaucrats whose priority is to consider their livelihood after their imminent retirement.

It is natural for the host nations to be less attracted by these ambassadors who will merely retire after one or two years at their posts.

In the case of the ambassador to the United States, Ambassador Kuriyama will definitely retire. Unfortunately, he will probably never stand in the frontline of Japan's politics and diplomacy again. Saito, the next ambassador, will also retire after his term.

However, in contrast to Japan's case, the aforementioned South Korean ambassador to the United States, Han Sung-su, has returned home from Washington and is currently active as secretariat director at the Blue House—the role of chief cabinet secretary directly linked to the president. The fact that such a path is open to him following his tour as ambassador commands respect from the United States.

The reality is that the current Japanese ambassadorial posts have become the "last rewards" for elder bureaucrats and the drawbacks have surfaced. In the case of the ambassadors to principal nations other than the United States, the final post is probably as bureau director or MOFA councilor. Instead of having them perform their tasks as ambassadors, the posts are assigned as rewards for those perceived to have performed well in the past. Otherwise, there is no reason why a diplomat without a Chinese language background should become ambassador to China amid the present trend toward internationalization.

There is no perception of diplomacy for the sake of the people or national interest. It even appears that priority is placed on MOFA's interests or the private interests of the individual MOFA veteran.

One former MOFA official admits frankly as follows: "For many years in MOFA, the ambassador's post has been a privilege for the final satisfaction and reward for those who have served the ministry well. As many persons as possible are allowed to enjoy the sweet reward according to seniority. It also encourages the younger bureaucrats. Such a personnel system unfortunately does not reflect Japan's diplomatic policies or strategies."

One reason for the numerous Japanese ambassadors who are ignorant of the host nations' languages and background is adherence to the seniority system. Rather than considering the candidate's aptitude and experience suited to the host nation, priority is given to the entry class when assigning a former bureau director to an ambassadorial post in a given nation. In the case of Russia and China also, more appropriate appointments would be possible, if it were not for the adherence to the entry class.

The abnormally short tours of duty are probably the result of trying to allocate the rewards to as many bureaucrats as possible. Furthermore, in order to manage the personnel of Japan's diplomatic organization, which has expanded to 181 embassies and consulates with 112 ambassadors throughout the world, the rotation pace has inevitably been speeded up.

Watching the Japanese Embassy in Washington, one gets the impression that the short terms are creating a serious problem. Ministers and counselors who serve in the United States for the first time continue to study desperately from the start and, when they manage to get on track after a year and a half, they are transferred. This trend is increasing every year and, compared to Japanese companies, the embassy is becoming staffed with people who are ignorant about America. Of course, diplomatic savvy vis-a-vis the United States degenerates.

In an era of broadening multilayered and permanent ties between Japan and foreign nations, the assignment of lame duck bureaucrats to the principal nations is clearly anachronistic. It is an insult to the people to handle ambassadorial posts on the basis of "appreciation" and "reward." Japan's position in international society is not stable to the point that it can continue a diplomacy based on a personnel system of bureaucratic dictatorship.

Thin Grounds for MOFA Bureaucrats To Become Ambassadors to the United States.

How should Japan's diplomacy be restructured? The aforementioned former MOFA official avers: "The time has come when the nation should be scoured to discover the best qualified talent as diplomats from the people at large, if there are no qualified MOFA bureaucrats."

It is certainly clear that it is more difficult to recruit ambassadors, who are well qualified in the languages and backgrounds of the host nations, from MOFA alone. Positioning MOFA bureaucrats in the principle areas of Japan's diplomacy is probably based on specialized knowledge and experience as professional diplomats. The grounds for the selection of ambassadors to the principal nations probably would be superior language capability and knowledge concerning the host nations.

However, successive bureaucrats lacking such expertise are actually becoming ambassadors. If they lack expertise, there is no reason to let the bureaucrats monopolize ambassadorial posts. In this respect, the current selection of ambassadors has completely lost its logical basis.

Diplomacy means, of course, relations with foreign nations on behalf of the entire nation and the people. The MOFA bureaucratic personnel system is a means for that purpose and not the goal. The requirements of an ambassador—particularly as the representative of Japan as a whole—are expanding. In order to place the right man in the right position, active recruitment should be made from the private sector or other government agencies.

MOFA itself occasionally publicizes recruitment of ambassadors from the private sector. However, it has recruited only one or two civilians in several years, who subserviently obey orders from the bureaucrats, assigning them to posts totally unrelated to the mainstream of Japan's diplomacy and proclaiming them publicly as either "an ambassador from the private ranks" or "the people's diplomacy." However, we must not be fooled by this pretense. The crux of the old personnel system under bureaucratic control has not changed a bit.

Merely from the standpoint of the bureaucracy alone, the assignment per se of MOFA bureaucrats as ambassadors to the United States has become incompatible with the dynamic reality of U.S.-Japan relations. The reason is that, at the Japanese Embassy in Washington, affairs handled by agencies other than MOFA have sharply increased and the functions and authority of the other agencies concerning overall diplomacy vis-a-vis the United States have accordingly expanded drastically.

A look at the auto talks and the financial/fiscal talks, which are the recent major themes between the United States and Japan, indicates that they are under the jurisdiction of MITI, the Transportation Ministry, and the Finance Ministry. Even a former vice minister as a former MOFA bureaucrat cannot manage the affairs at the embassy level. In fact, MOFA remains an outsider in many cases.

It is well known that the Japanese ambassador was shut out of a decisive and final U.S.-Japan conference in the United States during the Gulf War to discuss Japan's huge monetary contribution. The Finance Ministry officials assigned to the embassy boasted: "Even the ambassador cannot contact the U.S. Department of Treasury without the Finance Ministry's consent." In effect, reasons for a MOFA bureaucrat to become ambassador to the United States are disappearing even in the conduct of daily affairs.

Ronald Morse, director of the international planning department at the University of Maryland, who has specialized in researching U.S.-Japan relations for more than 20 years, states: "From the standpoint of benefiting U.S.-Japan relations, the current system of appointing Japanese ambassadors should be changed as soon as possible."

"With U.S.-Japan relations becoming so wide-ranged, multilayered, and dynamic, it is indispensable for the ambassador to have authority, influence, fame, and be known in the host nation. The U.S. side has sent Professor Reischauer, former Senate Majority Leader Mansfield, former Vice President Mondale, and noted financial leaders to Japan. Perhaps Japan should begin to return the courtesy."

As is well known, forty percent of the U.S. ambassadors are political appointees. The president and the secretary of state pick qualified candidates from a broad scope of occupations other than career Department of State diplomats. As a result, unusual figures whose only clear attribute is political loyalty to the president sometimes become ambassadors. However, all candidates, including the career diplomats, are checked for approval by the Congress. The people are informed through congressional hearings about the process of who and why the candidates become ambassadors, and with what qualifications. Meanwhile, in other nations beside Japan, the ambassadors to the United States are mostly figures other than career diplomats. South Korea's Ambassador Han Sung-su was appointed after serving in the parliament and as commerce and industry minister. Saudi Arabia's Ambassador Bandar, who is the current dean of the diplomatic corps in Washington, is a member of the royal family and has served consistently as ambassador to Washington since 1983. He was educated in America and appealed effectively as "Saudi's face" during the Gulf War. Among the ambassadors from other nations, persons with direct links to their nations' political leadership, former businessmen with long experience in dealing with the United States, and pro-America scholars who were prominent in U.S. academic circles stand out. Even career diplomats are chosen for their knowledge about America and those skilled in presenting their nations' interests to the United States. It indicates the emphasis placed on the qualifications of envoys to the United States.

Japan appears to be the only nation that has persisted in a rigid and inefficient selection system of automatically sending people, who are finishing their careers, to Washington.

A number of concrete methods to broadly restructure such an anachronistic system have been proposed in Japan, beginning with the report by the ad hoc administrative survey council in 1983 during the Nakasone administration. However, MOFA desperately resists any reform that may lead to selecting private individuals as ambassadors to the United States. It is probably natural because the ministry sees it as a loss of its vested rights. Criticism has continued to mount against the dictatorial administration of a bureaucratic structure which lacks trust among the people. People of all classes are strongly critical of the large and powerful organizations in the Finance Ministry, the Transportation Ministry, and the Posts and Telecom Ministry. However, surprisingly little scrutiny or verification is directed toward MOFA's activities. It is probably because its activities differ from those of the other ministries and because its main stage is abroad where the eyes of the people do not reach.

Among the so-called internationalist scholars, businessmen, and journalists, who are in a position to be well-informed about MOFA's activities, many are within MOFA's scope of influence due to their own activities which involve international issues. Therefore, it is difficult for them to criticize MOFA.

My reason for writing this report is based on nothing more than a sense of crisis through my experience of more than 20 years traveling between Japan and foreign countries and international reporting. It is today, when relations with the international community is increasingly crucial for Japan, that an unfortunate fate awaits it if it continues the present style of diplomacy.

Despite MOFA's anachronism and its powerful practices with overemphasis on agency interests, reform could be implemented easily with rising public opinion and decisive judgment by political leadership. The swift implementation of such reform constitutes the proof of a mature democratic nation.

Yoshihisa Komori profile—Born in Tokyo in 1941. After graduating from Keio University, studied at University of Washington. Served as correspondent in Saigon and Washington for the MAINICHI SHIMBUN. Was London branch chief and Washington branch chief for the SANKEI SHIMBUN. Has numerous publications including "Recollections of Vietnam."

Tokyo Decides To Draw Own UN Reform Project

OW2711124695 Tokyo NIHON KEIZAI SHIMBUN in Japanese 26 Nov 95 Morning Edition p 1

[FBIS Translated Text] On the issue of UN reform project, the government has decided to draw up its own proposals to review the roles of UNESCO, the UN Industrial Development Organization (UNIDO), and other UN-related organizations.

While the United States feels it is important to promote drastic UN expenses cuts and the abolition of unnecessary organizations, the major point of the Japanese Government's proposal is that Japan plans to put more emphasis on strengthening the functions of the UN Economic and Social Council and reconsidering the significance of UN-related organizations through it.

The government plans to hold talks among Japanese ambassadors dispatched to UN-related international organizations at the Ministry of Foreign Affairs [MOFA] on 27-28 November to work out the details of the proposal. Hisashi Owada, Japanese Ambassador to the United Nations, Minoru Endo, ambassador at the Permanent Mission of Japan to International Organizations in Geneva and other concerned officials are expected to attend the meeting.

The reform of UN organs is likely to be one of the major points of discussion at the summit talks of the industrialized nations (Lyons Summit) due to take place in late June of 1996. The government plans to submit its proposal, to be formulated at the upcoming talks, to the sherpa meeting prior to the summit.

The government believes that on the issue of reviewing UN-related organizations. "It will be difficult to gain the support of developing nations if we promote only organizational rationalization and budget cuts, and such measures will, in any case, be ineffective in promoting UN reform" (according to a Foreign Ministry source).

The government, therefore, plans to work out its proposal on basis of the following: 1) No review should be done only from the standpoint of improving efficiency or cutting UN expenses; the order of priority of various activities of UN-related organizations should be reconsidered; and projects to reform the UN system in the economic and social field should be given priority; and 2) to gain the support of developing nations, a new development strategy for the 21st century should be worked out at the same time.y

Senior Officials Debate UN Reform

OW2811120595 Tokyo KYODO in English 1125 GMT 28 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 28 KYODO — Senior officials of Japan's Ministry of Foreign Affairs [MOFA] on Tuesday [28 November] discussed ways to push for United Nations' structural and functional reform.

The officials included UN Ambassador Hisashi Owada, Minoru Endo, government representative in Geneva, and Nobutoshi Akao, a government representative in Vienna, as well as Yutaka Kawashima, director general of the ministry's Foreign Policy Bureau, the ministry said.

It said the session covered the world body's activities in the social development field, reform of the UN budget and reform of the UN Security Council.

Some participants were quoted as telling the meeting the U.S. contribution to the UN budgets should be cut below the current 25 percent of the total, the largest among the 185 member countries.

They also exchanged views on activities of UN-related international organizations, including the UN Industrial Development Organization, the ministry said.

Tokyo Studying PKO Cooperation With Beijing

OW2811044195 Tokyo SANKEI SHIMBUN in Japanese 28 Nov 95 Morning Edition p 1

[FBIS Translated Text] The government has started studying the possibility of active cooperation with China in UN peacekeeping operations (PKO), and has made unofficial inquiries with the PRC.

According to a number of government sources on 27 November, the purpose of this is to build mutual trust through cooperation in PKO. Working level exchange of views will start in FY96, and the plan is to develop this into full-fledged defense exchanges, including joint exercises and PKO participation by troops on both sides. However, certain government officials note reluctance on the Chinese side, and some difficulties are expected before this materializes.

Behind the government's studying PKO cooperation with the PRC is the fact that "the Chinese military capability, which is increasing each year, has become a threat to the Asia-Pacific region" (according to a government source). It believes that to enhance the "transparency" of the Chinese military capability, Japan and China need to promote mutual understanding in security affairs through PKO cooperation, and expand security cooperation and confidence-building efforts in Asia and the Pacific.

Although Japan and China have undertaken security dialogues in the past under multilateral frameworks, such as the ASEAN Regional Forum (ARF) and the "Security Seminar for Asian and Pacific Countries" sponsored by the National Institute for Defense Studies, they have never had any actual military exchanges.

The government thinks that "there should be few obstacles to PKO cooperation under the auspices of the United Nations" (according to the same source). It has already sounded out the Chinese side unofficially on a full-fledged study of PKO cooperation.

Since the Chinese side has not come up with a definite reply, some government officials believe that "this indicates a negative attitude" (according to another government source).

On the other hand, there is also a positive view of the PRC's stance after it issued a virtual defense white paper for the first time in mid-November. A Defense Agency source said the PRC "has started to take measures to increase transparency in the military aspect in an attempt to negate the theory of China's threat."

For this reason, the two countries will first start exchanges of views and studies on PKO at the working level in the next fiscal year. Based on this, efforts will expand into joint PKO education and training, and joint PKO participation by military officers from both countries in the future. The plan is to institute a system for full-fledged cooperation.

As of March 1995, China had dispatched 44 PKO personnel, compared to zero on the Japanese side. The fact is, "both countries lag behind the Western countries, which play an active role in PKO" (according to a government source). The Japanese Government has started working-level discussions with the United States, the UK, and Canada on PKO cooperation. From the point of view of security in the area around Japan, cooperation with China is a crucial issue.

Coalition To Call For Nuclear Weapons Ban

OW2811094695 Tokyo KYODO in English
0934 GMT 28 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 28 KYODO — The ruling coalition has agreed to make a call in Japan's new defense policy outline for endeavors toward "a world without nuclear weapons," coalition officials said Tuesday [28 November].

The revised government draft of the new defense policy says Japan should make "international efforts for realistic and steady reductions in nuclear weapons, aimed at achieving a world without nuclear weapons," the officials said.

The change in the text has come in response to strong requests by the Social Democratic Party (SDP) and New Party Sakigake [Harbinger] that the word "ultimate" should be removed from the expression "ultimate elimination of nuclear weapons" in the government's previous draft of the new policy.

The government plans to adopt the new, post-Cold War defense policy for Japan on Tuesday night to replace the current 1976 national defense program outline, but the three ruling parties are yet to reach a final agreement on the entire text.

One of the remaining bones of contention is over whether the three principles for arms exports, which restrict exporting technology for military purposes, should be included in the outline.

The SDP, headed by Prime Minister Tomiichi Murayama, and Sakigake, led by Finance Minister Masayoshi Takemura, are calling for the insertion of these principles, but the Liberal Democratic Party (LDP), headed by International Trade and Industry Minister Ryutaro Hashimoto, is strongly opposed to the proposal.

The government is scheduled to officially endorse the new long-term program at a 7 p.m. meeting of the Security Council of Japan, headed by Murayama, and at an extraordinary cabinet meeting at 9 P.M., said Chief Cabinet Secretary Koken Nosaka, the government spokesman.

The schedule may be changed, however, Nosaka said at a press conference after a regular cabinet meeting Tuesday morning.

Following the cabinet meeting, Murayama met ministers concerned, including Foreign Minister Yohei Kono, Defense Agency Director General Seishiro Eto and Hashimoto, and confirmed that the government is determined to officially approve the new plan at an extra cabinet meeting at some time Tuesday, the officials said.

Murayama told the ministers the new defense policy has already been "fully discussed," the officials said.

The three ruling parties reconvened Tuesday morning to discuss the wording of the defense plan, after failing to agree the previous night.

Tokyo Puts Biological Arms Ban Into Effect

OW2811053095 Tokyo KYODO in English
0451 GMT 28 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 28 KYODO — The government took a step Tuesday [28 November] toward bringing into force in Japan an international treaty banning biological weapons, 13 years after the country ratified it.

The treaty, which was adopted at the United Nations in 1972 and enacted in 1975, bans development or production of certain weapons using bacteria or toxins.

Japan ratified it in 1982 and enacted a domestic law in that year to put the treaty into effect, but the law has not functioned due to the lack of a cabinet ordinance stipulating its detailed provisions, officials said.

The requisite ordinance was approved at Tuesday morning's regular cabinet meeting.

The government decided to take the necessary measure to put the treaty into effect in Japan after an incident in which the Aum Shinrikyo religious sect allegedly tried to disperse botulinus germs in a Tokyo subway station, according to government sources.

EU Appeals for Further Economic Deregulation

OW2211125495 Tokyo KYODO in English 1234 GMT 22 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 22 KYODO — The European Union appealed to Japan on Wednesday [22 November] for further economic deregulation to promote competition and the strengthening of the Fair Trade Commission, government officials said.

Karel Van Miert, commissioner of the European Commission in Charge of Competition Policy, made the appeal during a meeting with Ryutaro Hashimoto, minister of international trade and industry, the officials said.

Van Miert showed understanding to an action program for deregulation unveiled by the Japanese Government in March but said liberalization is lagging in such fields as distribution and transportation, according to the officials.

He demanded that Japan abolish or overhaul the large-scale retail stores law by 1997, they said.

Van Miert arrived in Japan on Tuesday for a three-day visit as part of the EU-Japan dialogue on competition policy. He attended a Japan-EU seminar on competition held in Tokyo on Wednesday.

Article Analyzes 'New Mechanism' at APEC

OW2611104695 Tokyo ASAHI SHIMBUN in Japanese 20 Nov 95 Morning Edition p 9

[Article by Yoichi Funabashi, director of U.S. General Bureau: "The New Mechanism Brought About by Grilling at APEC — Changing Relations Among Japan, U.S., and China; Rise of the Newly Risen Group, Including the ROK"]

[FBIS Translated Text] The fact that the APEC [Asia-Pacific Economic Cooperation forum] diplomacy unfolded backstage at the Osaka forum and a blizzard of bewildering, changing international politics have indicated to me that a new mechanism of power politics is now coming into being in this region. The rivalry between Japan and China has become intensified; the newly risen countries such as the ROK and Indonesia have come into existence; and the role of a "balancer" played by the United States has changed. Another point at issue lies in the fragility noted in the power foundation, as well as the leadership of Japan, China, and the United States. Unless each of them tries to strengthen the relationship of multilateral or mutual trust, stability in this region may fall apart.

A high-ranking U.S. State Department official who accompanied Secretary Christopher on his visit clearly stated: "One of the purposes of my visit to Japan is to measure the future relations between Japan and China." It is because, in his view, "Sino-Japanese relations are entering a new stage." The relations between the two countries have now fallen into a vicious circle: In protesting against China's nuclear tests, Japan has resorted to suspending its grants-in-aid to China; and in response, China has once again brought up the issue concerning Japan's view of history. With this as a start, will Japan go so far as to "argue that danger now comes from China?" And will this argument be taken as a factor for "redefining" Japan-U.S. security arrangements? This is the reason for the attention of the United States.

Sense of Rivalry Over the Korean Peninsula

China's understanding of the international atmosphere of countries "surrounding it" is also undergoing changes. China regards "radical nationalism," territorial issues, and nuclear proliferation among its "surrounding" countries as the "three potential threats." With regard to the "radical nationalism," China is on its guard against such nationalism in Taiwan, Japan, Russia, and Vietnam, and Japan is viewed as involved with each of them. A high-ranking Japanese Government official stated: "It seems that China intends to engage in a struggle with Japan for power in this region."

It has become vaguely possible that there is a danger that Japan and China may intensify their rivalry over issues on the Korean peninsula. It is generally observed that the joint criticism against Japan's understanding of history was made by top leaders of both China and the ROK with President Kim Yong-sam playing the leading role. In playing both the "China card" and the "history card" they seem to aim at checking Japan's approach toward the DPRK (North Korea).

In his expression, however, President Kim Yong-sam "looked stiff in the first half" of the Japan-ROK summit talks, but "mild in the second half," (as observed by one of the participants.) While it was voiced among ROK diplomatic officials that "caution should be taken lest China would take advantages (in Japan bashing)," others gave a warning against China, saying: "It would probably not be Japan, but China that will persist to the end in opposing the reunification of the South and North."

About Asian regionalism, Japan and China do not share a common vision of the future. Concerning the issue, in particular, on holding summit dialogues between east Asia and the European Union (EU) — the concept advocated by ASEAN countries, Japan suggested that Australia and New Zealand should also participate. However, China asked that India be allowed to join. It is observed that in so doing, China aims at making the first move in dealing with the arguments "on danger coming from China" and "on collaboration between Japan and India," thereby exerting its influence over the ASEAN countries at the same time.

Japan's Privileged Status Beginning To Sway

Candidates for future "newly risen" countries such as the ROK and Indonesia are full of energy and confidence.

At the Bogor forum held last year, the ROK was classified as one of "the newly industrialized economies (NIES)," in the categories of target years of liberalization. In protest, President Kim Yong-sam announced the ROK as one of the industrialized countries.

At the current forum, the ROK succeeded in demanding that the Japan-ROK foreign ministerial talks be held on a regular basis. The decision was made in consideration of the fact that "it was the ROK that had taken the initiative."

When President Clinton decided to suspend his visit to Japan, it was President Suharto to whom Clinton made an advance phone call to offer his apologies. The President provoked Suharto's laughter by saying jokingly: "If you should differ in views with Vice President Gore, I would like you to give me a direct phone call."

In Clinton-Suharto talks held in Washington in late October, they exchanged views on various issues such as those on Bosnia, North Korea, and the South China Sea, in addition to APEC. Present at the talks were Vice President Gore and many cabinet members, including Secretary Christopher. Sitting in his car on his way to the airport, President Suharto was highly pleased, saying that "it was just like holding a cabinet meeting." At the talk, President Clinton made a proposal for sending a joint message to brace up Prime Minister Tomiichi Murayama for his efforts in dealing with the issue on trade liberalization. With courtesy, Suharto rejected this proposal. This episode indicates that the United States has started its cooperation with newly risen countries in Asia, and that the privileged position originally enjoyed by Japan in its relations with the United States has begun to sway.

The United States With Its Asia Beginning To Fall Apart

It is apparent that the U.S. policy towards Asia has fallen behind the times. Its Asia policy indicates that Asia is merely positioned as the target of exporting goods made in the United States under the framework of security that has been left over from the Cold War era. In other words, there is a fear that with its military strength and markets, the United States may still be regarded as a "Pacific power" by Asian countries, but that it is no longer taken sufficiently as an "Asian power." It happens that President Clinton's failure to attend the APEC forum may indicate that the U.S. political relations with this region have begun to fall apart.

It is most certain that the United States will continue to play its balancer's role in ensuring security in this region. However, there is a danger that its role will shift from that of an "inside balancer" by participating in regional affairs as a member country, to that of an "outside balancer" by manipulating affairs from the outside. The United States seems to have overreacted to the attempt of excluding it from this region. However, no efforts are made for further involvement in the region unless it is found to be advantageous to U.S. domestic politics. If such a view should become prevalent in the United States, there is a fear that it would provoke regional countries to diverge from the United States.

Talks With DPRK Unlikely for Near Future

OW2811112595 Tokyo MAINICHI SHIMBUN in Japanese 27 Nov 95 Morning Edition p 3

[FBIS Translated Text] The possibility of resuming talks on normalizing diplomatic ties with the DPRK (North Korea) seems to be slim, because "we are indeed not in a position to resume the talks immediately" (stated a senior official at the Ministry of Foreign Affairs [MOFA]). As relations between the ROK and North Korea have completely cooled down, the ROK stopped Japan from "overtaking" South Korea in its North Korea policy at the recent bilateral summit in Osaka. North Korea is taking a tough policy toward Japan. Although the government is sticking to its policy of "early resumption of bilateral talks," most likely the government will cautiously watch North Korea's moves towards contacts with the United States and the ROK for some time to come.

Concerning talks on normalizing Japan-DPRK diplomatic ties, the delegation sent by the ruling parties to North Korea agreed with the Workers Party of Korea last March to resume talks at an early date. Since then, the government has continued informal contacts with North Korea and has also provided rice aid at the DPRK's request. As the same MOFA official stated, "Conditions for resuming talks were almost ripe." Japan was only one step away from starting preliminary negotiations in September.

However, the ROK voiced strong opposition to Japan's North Korea policy, particularly rice aid. ROK President Kim Yong-sam, in talks with Prime Minister Tomiichi Murayama on 17 November, expressed concern that "Japan might have fallen into the trap laid by North Korea to make Japan and the ROK compete against each other." He called for coordination with the ROK.

The ROK side believes that the Japanese made a commitment to the following three principles at the bilateral summit talks: 1) not to impair Japan-ROK relations; 2) to align its actions with developments at the inter-Korean dialogue; and 3) not to provide economic support to North Korea until Japan-DPRK ties are normalized. As for the Japanese side, it is likely that the government has to be more sensitive to the ROK's wishes.y

Meanwhile, North Korea has indicated a hard-line stand on Japan on various occasions. Concerning Japan's participation in the UN Security Council as a permanent member, a North Korean envoy voiced opposition in a speech delivered to the UN General Assembly, saying, "Japan has not apologized and settled accounts on its past actions." At the nonaligned summit held in Colombia, North Korea strongly opposed Japan's participation in the meeting as an official guest.

North Korea may further harden its stand, since Japan and the United States are very likely to include their perception of the Korean Peninsula's instability in the "joint security statement" to be issued when the U.S. President visits Japan. A cautious approach has been gaining ground within the government: "What can be settled will fall apart if we fail to time it right" (as stated by the same official). Therefore, Tokyo needs to watch the situation closely for the time being.

PRC's Wu Yi Meets Tokyo Business Team

OW2811091695 Tokyo KYODO in English
0802 GMT 28 Nov 95

[FBIS Transcribed Text] Beijing, Nov. 28 KYODO — Chinese foreign trade minister Wu Yi told a Japanese business delegation Tuesday [28 November] that changes in China's tax policy should not be viewed as the major criterion for investment in China, delegation members said.

In a meeting with Yoshio Sakurauchi, president of the Association for the Promotion of International Trade, Japan, Wu said China's investment environment was good as the country enjoyed political and social stability, a huge market demand and a strong labor market.

Wu discounted a new tax policy, expected to be implemented next year, that will abolish tax exemptions for foreign enterprises on the import of capital equipment, a spokesman for the delegation said.

Although the details of the new policy have not been fully announced, it is expected that foreign companies and enterprises with foreign investment will be required to pay a 40 percent duty on the import of capital equipment.

Sakurauchi's delegation requested that the abolishment of the preferential tax policy be implemented gradually, the spokesman said.

Wu praised China's trade with Japan, which is expected to top 50 billion dollars this year, following 46 billion dollars worth of bilateral trade last year, he said.

The delegation, made up of leading businesspeople from Japan's manufacturing, finance, foreign trade, maritime transport and other sectors, met Premier Li Peng on Monday.

Tokyo-Beijing Panel Discusses Investment

OW2811090895 Tokyo NIHON KEIZAI SHIMBUN in Japanese 28 Nov 95 Morning Edition p 9

[FBIS Translated Text] The Sixth Japan-China Economic Symposium (jointly sponsored by NIHON KEIZAI SHIMBUN and RENMIN RIBAO of China) opened on the morning of 27 November and started panel discussions in the afternoon on the topic of Japanese companies doing business in China.

On the focal issue of preferential treatment for foreign investors in the special economic zones, Chen Qingtai, vice minister of the State Planning Commission, said: "This needs to be adjusted gradually." He disclosed the PRC's policy to gradually phase out reduced import taxes and tax exemption, leading eventually to an abolition of such preferential treatment.

On the question of the delay in the major Japanese carmakers' entrance into the Chinese market, Lu Jian, representing the president of Shanghai Automobile Industrial (Group) Corporation, said: "Right now, there are eight or nine joint venture proposals with GM of the United States and other foreign carmakers. New proposals will be impossible for the time being." He asked for investments by auto parts makers rather than carmakers.

Tsunao Hashimoto, vice chairman of Sony Corporation, said: "The development of the Chinese automobile industry will be retarded if (approval of business projects is hampered) by administrative guidance."

Toru Toyoshima, director of the Japan External Trade Organization, also pointed out that, considering future growth in the PRC, there should still be room for Japanese carmakers to enter the China market.

Discussing the exchange of renminbi, Yin Jieyan, vice governor of the People's Bank of China, stated: "We are studying a model. This will be implemented before the end of this century, or possibly even earlier." He indicated the possibility of early implementation of the exchange scheme.

On the reform of state-run enterprises, Chen said China had a policy: "To remove 10 million employees from the state-run enterprises within the Ninth Five Year Plan starting in 1996." This would be done by detaching parts production and service divisions from the giant companies.

On the problem of Chinese banking institutions, which are suffering losses because of bad loans made to state-run enterprises, Hiroshi Watanabe, chairman of Sanwa Bank suggested "the creation of a state organ to liquidate bad loans."

EPA Head Backs Formation of U.S.-Style RTC

OW2811035295 Tokyo KYODO in English
0249 GMT 28 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 28 KYODO — Japan's top economic planner Tuesday [28 November] threw his weight behind a Finance Ministry plan to set up Japan's version of the U.S. Resolution Trust Corp. (RTC) for the liquidation of bankrupt financial institutions.

"I think it is basically a good measure," Economic Planning Agency Director General Isamu Miyazaki told a news conference in the Diet building.

Miyazaki was commenting on the plan announced last week jointly by the ministry and the Bank of Japan to set up a Japanese RTC which would take over both the assets and liabilities of a number of failed financial institutions.

In the United States, the RTC was set up in 1989 by the administration of President George Bush to dispose of real estate and other property that had fallen into government custody after the collapse of savings and loan institutions in the late 1980s.

The ministry and the bank have so far said that, as the basis of the RTC, they plan to use as the Tokyo Kyodou Bank — a rescue vehicle set up last March to absorb the operations of the defunct Tokyo Kyowa Credit Association and Anzen Credit Bank — and have it initially take over the assets and liabilities of the bankrupt Kizu Credit Union.

But press reports say the ministry is now considering having the Tokyo Kyodou bank take over the assets and liabilities of a number of bankrupt financial institutions as well as several housing loan firms that are to be liquidated to dispose of their huge bad loans.

Asked about a government proposal to issue a total of 20 trillion yen in deficit-covering and construction bonds in the fiscal 1996 state budget, Miyazaki hinted that short-term dependency on massive government borrowing may have to be tolerated.

"We have to consider the issue of fiscal reconstruction from the long-term perspective," he said.

His comments followed a statement by Finance Ministry officials Monday that the government will have to issue a record 20 trillion yen in government bonds in fiscal 1996, in light of slow tax revenues caused by stagnant economic activity.

The officials said the amount will break down into over 10 trillion yen in deficit-servicing bonds and nearly 10 trillion yen in construction bonds.

The ministry is in the process of compiling a budget with general account appropriations of 73 trillion yen for fiscal 1996, which starts next April.

This means that the fiscal 1996 budget will rely on government bond issues for more than 25 percent of general account revenues, the first rise above that level in 12 years.

Asked whether the government will have to propose tax increase measures to finance the revenue shortfalls on top of the proposed borrowings, Miyazaki remained noncommittal, saying "we cannot consider only raising taxes."

MOF Urged To Prevent Unsold Shares

OW2811120295 Tokyo KYODO in English
1123 GMT 28 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 28 KYODO — A government panel urged the Ministry of Finance [MOF] on Tuesday [28 November] to gauge investor demand for Japan Tobacco Inc. (JT) and Nippon Telegraph and Telephone Corp. (NTT) shares before actually offering them, in order to prevent unsold shares.

The Central National Property Council, which reports to the finance minister, proposed adopting a so-called "book building" method for selling government-held shares in the two companies, ministry officials said.

But the new system will not come into play until fiscal 1996 at the earliest because the government has already decided to call off any offerings this fiscal year in light of sluggish stock market conditions.

Under the method, lead managers for the offering will survey how many shares investors are willing to buy and at what prices. Based on investor reaction, the underwriters and the government will decide on the price and number of shares they will actually offer.

The present system, which unloads a preset number of shares at a preset price, is so inflexible as to bar the government from changing stock offering terms in accordance with market conditions.

The ministry has studied a new stock offering method because the old system left 270,000 JT shares unsold at last year's offering, or 40 percent of the total the government intended to sell.

Britain first adopted book building for government-held stock offerings in 1994, when it offered British Telecommunications plc shares for the second time. The system has since been widely used in the United States and Europe for offering government-held shares.

'Shady' Loan Scheme Implicates Ex-Minister

OW2611143295 Tokyo KYODO in English 1244 GMT 26 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 26 KYODO — The sister of former Labor Minister Toshio Yamaguchi has partly admitted her involvement in a shady 810 million yen loan scheme with one of two failed Tokyo credit unions, informed sources said Sunday [26 November].

Prosecutors are expected to file indictment against Yoshie Yamaguchi, 59, on Tuesday when her term of detention is to expire.

They are also likely to take legal action against seven other suspects, who have been arrested in connection with the mammoth lending scandal.

In the course of trying to build a case against Yoshie Yamaguchi and her suspected accomplices, investigators are also expected to question the former labor minister, who is an independent legislator in the House of Representatives.

Yoshie Yamaguchi and her brother Katsuto Nemoto, 52, were arrested in early November on suspicion of breach of trust and embezzlement in connection with the loans.

In June and July last year, Yoshie Yamaguchi conspired with Nemoto and others to arrange for her golf course management company to receive from the now defunct Anzen Credit Bank some 810 million yen secured with worthless collateral, investigators have said.

Directly after her arrest, Yoshie Yamaguchi admitted to borrowing the money from Anzen, but denied that the deal was illegal.

Meanwhile she has, however, acknowledged that the collateral was insufficient, while maintaining that she did not intend to break any rules, according to the sources.

Her company also borrowed some 1.9 billion yen from Tokyo Kyowa Credit Association, the other collapsed credit union, between July and December 1994, also allegedly without proper collateral.

She has also given testimony corroborating suspicions that Toshio Yamaguchi was involved in the arrangement of the loans.

Other evidence, including testimony by Tokyo Kyowa's former president, Harunori Takahashi, 50, who has been indicted on charges of breach of legal trust, indicate that the former labor minister was fully involved in the arrangement of the loans at every stage.

Since a lawmaker enjoys immunity while the Diet is in session, prosecutors are expected to lay breach of trust charges against Toshio Yamaguchi without formally arresting him.

Hashimoto Stresses Strengthening FTC Functions

OW2511002795 Tokyo MAINICHI SHIMBUN 24 November Morning Edition p2

[FBIS Translated Text] On 23 November, Ryutaro Hashimoto (deputy prime minister and concurrently minister of international trade and industry) of the Liberal Democratic Party met with a group of petitioners representing local governments and business organizations. At the meeting, he said: "The government is trying to ease regulations and reduce its involvement in various matters as much as possible. The Fair Trade Commission [FTC] must ensure there will be fair competition so that the strong do not bully the weak. Since we will continue to take further deregulatory measures, we would like to gain the understanding of business circles on the need to strengthen the functions of the FTC." Hashimoto thus stressed that in line with deregulatory measures the government is promoting, the functions of the FTC must be strengthened.

At the meeting, petitioners from business circles and local governments requested that the government promote deregulation. At the same time, those representing liquor sales businesses expressed opposition to deregulation, and Hashimoto responded to their plea. Regarding government plans to promote deregulation, the MITI minister said: "It is necessary to keep regulations that concern the people's health and social security."

Pharmacy Firm Investigated Over Alleged Bribe

OW2811032595 Tokyo KYODO in English 0100 GMT 28 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 28 KYODO — The Health Ministry Monday [27 November] grilled senior managers of the largest operator of dispensing pharmacies in Japan over allegations it sold to 33 doctors bargain-priced preflotation shares that skyrocketed in value after their over-the-counter debut, ministry officials said Tuesday.

The Ministry of Health and Welfare summoned and questioned Kaname Mori, Kraft Inc.'s president, and three senior managers over charges the company sold such shares to curry favors with doctors at hospitals near Kraft's pharmacy branches and have them instruct patients to buy prescribed medicines at the branches, they said.

The ministry instructed the Kraft senior managers to identify all recipients of its bargain-priced, preflotation shares and to state the purpose for which they turned over such shares to the doctors, they said.

In Japan, hospitals usually instruct patients to buy prescribed medicine at pharmacies inside the hospital building and it is a rarity that doctors write prescriptions for medicine that patients collect at dispensing pharmacies outside of the hospital.

The ministry also demanded that Kraft submit its records of all the purchasers of the preflotation shares as well as related documents, they said.

Kraft sold the preflotation shares to 33 doctors at hospitals in the neighborhood of its branch shops between 1986 and 1990.

Once the share made its over-the-counter debut last April, its price shot up to 1,910 yen per share in may — some 10 times the price at which the preflotation shares had been sold to doctors.

A Kraft official defended the distribution of the shares to the doctors, saying, "when we sold the shares to the doctors, we did not know whether our company would be able to offer our shares over the counter to public investors."

The official denied allegations that the bargain-priced shares constituted a disguised kickback, saying, "we are displeased to face the interpretations that the shares were rebates."

Group Refuses FTC Order To Stop Cartel

OW2811035495 Tokyo KYODO in English 0131 GMT 28 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 28 KYODO — A warehouse organization has decided to refuse an order from the Fair Trade Commission (FTC) to stop forming cartels to raise fees, claiming it has nothing to do with fixing of fees by each member company, an organization official said Tuesday [28 November].

"The FTC's order didn't reflect this fact and we will fight with the FTC," said an official at the Japan Association of Refrigerated Warehouses, an industry group comprising some 1,200 companies nationwide.

He said the association will inform the FTC of the decision by mail by the beginning of December.

The trade watchdog earlier this month issued an injunction preventing the association from forming cartels to raise fees.

According to the FTC, the senior officials of the warehouse companies, also major members of the association, held several meetings from April to July 1992.

At the meetings, they first agreed to uniformly raise the fees but later decided to change the hike margin, taking into consideration that the Transport Ministry thought it preferable that the fees should differ.

The companies consequently agreed to divide the margin into five stages between 8.0 and 9.6 percent by equipment capacity of each member company.

The association official said the hike rate was decided by each company and the association was not in a position to decide it.

Survey Shows Overseas Plant Contracts Increasing

OW2711102595 Tokyo KYODO in English 0955 GMT 27 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 27 KYODO — Contracts for overseas plants in the April-September period increased 21.7 percent from the same period a year earlier to $10,230 million, according to survey results released Monday [27 November] by the Ministry of International Trade and Industry.

The ministry attributed the rise to contracts for such large plants as oil well drilling facilities and steel plants in Russia and eastern Europe. Contracts for plants in Asia accounted for about two-thirds of the total.

The ministry surveyed about 100 Japanese companies, including major trading houses, for the results.

Large contracts worth $100 million or more numbered 26, totaling $7.2 billion, including those in Asia and the Middle East, up from 19 orders worth a total of $5.6 billion a year earlier.

Asia, in particular, saw a number of contracts inked for infrastructure projects, including one in Indonesia for a thermal power plant worth more than $1.5 billion.

In terms of the value of large contracts, plants in Asia have recently accounted for 60 percent or more.

Contracts for plants in Asia in the first half of fiscal 1995 rose 15.4 percent, with those for steel plants contributing to the overall contract growth to more than $10 billion, according to the ministry.

Due partly to the strong yen, however, procurements of machines from non-Japanese manufacturers are active. Such procurements reached $4.1 billion, up 68.3 percent from the same period a year before.

This shows that despite the sharp rise in contracts for overseas plants, Japanese firms are not necessarily benefiting, analysts said.

JGC Accepts Lubricant Plant Order in PRC

*OW2811035595 Tokyo KYODO in English
0244 GMT 28 Nov 95*

[FBIS Transcribed Text] Tokyo, Nov. 28 KYODO — Major plant engineering maker JGC Corp. has accepted a 3 billion yen blanket order from a U.S. oil company's subsidiary to build a lubricating oil-blending plant in China, a JGC official said Tuesday [28 November].

The plant will be built by Mobil (Taicang) Petroleum Co., a 100 percent subsidiary of Mobil Oil of the United States, in a development area about 50 kilometers northwest of Shanghai, the official said.

The deal covers engineering, procurement and construction of the plant, he said.

It will have an annual lubricating oil blending capacity of 73,500 tons, the official said.

The construction will be completed in September 1997, he said.

The plant is designed to meet rising demand for such oil in China on the back of rapid expansion of motorization in the country, he said.

Joint PRC Venture To Sell Power Supplies

*OW2211144095 Tokyo KYODO in English
0923 GMT 22 Nov 95*

[FBIS Transcribed Text] Tokyo, Nov. 22 KYODO — Japan Storage Battery Co., a leading maker of storage batteries, said Wednesday [22 November] it will set up a joint company in China with a local concern and another Japanese company to manufacture and sell uninterruptible power supplies and switching regulators.

The company predicts the products will be in increasing demand in China as the country boosts its infrastructure in the electricity and telecommunications sectors, a company official said.

It is the third company that the company will set up in China, following outlets for the manufacture and sales of automobile and telecommunications batteries.

The joint company, to be capitalized at 10 million yuan or about 120 million yen, will be set up in Beijing next January, the official said.

Chinese electrical equipment maker Beijing Long River Machinery and Electronics Co. will have a 60 percent stake in the company, while Japan Storage Battery will hold a 39 percent share. The remaining 1 percent will be owned by Fujitaka Renkei, a Japanese importing company.

The new company, Beijing GS Long River Machinery and Electronics Co., will have staff of about 100.

In fiscal 1997, the company hopes to have sales of about 300 million yen, to be raised to about 1 billion yen three years later.

Matsushita To Make Audio Equipment in PRC

*OW2111054795 Tokyo KYODO in English
0237 GMT 21 Nov 95*

[FBIS Transcribed Text] Tokyo, Nov. 21 KYODO — Matsushita Communication Industrial Co. said Tuesday [21 November] it will produce business-use audiovisual equipment in China in a joint venture with Matsushita Electric Industrial Co. and a local company.

The three companies will set up a joint venture company in Suzhou in Jiangsu Province as early as December under a 20-year deal signed in the eastern China city Monday, Matsushita Communication officials said.

The new company, Suzhou Matsushita Communication Industrial Co., will be capitalized at 600 million yen, of which 65 percent will be put up by Matsushita Communication, 25 percent by Matsushita Electric and the remaining 10 percent by Suzhou Instrument Elements Factory, they said.

The new company is scheduled to start semiknockdown (SKD) production of equipment for language education and other business-use audiovisual products at a Suzhou plant in May 1996, the officials said.

Under the SKD system, most parts for audiovisual equipment will be exported from Japan for assembly in China.

The joint venture will build a new plant to start production on a comprehensive basis in the fiscal year that starts in April 1997, the officials said.

Mitsubishi To Give ROK Firm Expertise

OW2211102695 Tokyo KYODO in English
0940 GMT 22 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 22 KYODO — Mitsubishi Materials Corp. will transfer its proprietary expertise on environmentally friendly copper refining to LG Metals Corp., a metal maker of South Korea's LG group, formerly known as Lucky Goldstar Conglomerate, a company spokesman said Wednesday [22 November].

Under conventional methods, refiners have to stop at the end of each refining phase to move melted copper to another facility.

Mitsubishi Materials' so-called MI [expansion unknown] process, on the other hand, uses covered conduits to connect facilities for different phases, which enables nonstop refining and helps contain emissions generated in the refining process.

LG Metals currently has the capacity to turn out 240,000 tons of copper ingot a year and expects to boost the figure to 400,000 tons. It has asked Mitsubishi materials to use the MI process to expand capacity, the spokesman said.

Capacity expansion is due for completion in 1997, with new facilities expected to go on line in June 1998. Mitsubishi materials will send staff to oversee plant construction and accept LG Metals engineers for training, the spokesman said.

The MI process is currently used at Mitsubishi Materials' Naoshima Plant in Kagawa Prefecture on the western island of Shikoku as well as by a Canadian copper refiner.

The company also expects to export the technology to a planned copper plant in Indonesia, which is scheduled to start operations in late 1998, and Metdist Industries Ltd., an Indian copper maker, the spokesman noted.

Nissho Iwai Plans Joint Venture With Vietnam

OW2711044895 Tokyo KYODO in English
0144 GMT 27 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 27 KYODO — Giant trader Nissho Iwai Corp. has agreed to help the Vietnamese military push commercial projects in civilian industries, such as the development of an industrial zone for foreign companies, company spokesman Shingo Hirotani said Monday [27 November].

To this end, Nissho Iwai will set up a joint venture with a leading Vietnamese military contractor Agtex in late December, Hirotani said. Agtex is under the jurisdiction of the Vietnamese Ministry of National Defense.

The Vietnamese military is under growing pressure to secure its own revenue sources as the Hanoi government cannot help whittling down defense outlays required to maintain the huge 570,000-member military, he said.

The military has strong say over the Hanoi government in talks to obtain business licenses or project permissions, he said. Such influence by the military is only a matter of course, as "the Vietnamese Government itself evolved originally from the military," he said.

The joint venture, to be capitalized at 1.25 billion yen, will be owned 60 percent by Nissho Iwai and 40 percent by Agtex, he said.

The joint venture will transform a former 200-hectare military exercise ground 30 kilometers northeast of Ho Chi Minh City into an industrial zone where foreign companies will be invited to obtain land plots for projected plants or branches with a 50-year renewable lease, he said.

Marketing of the partitioned industrial zone plots will start next spring, with Agtex providing the land and Nissho Iwai shouldering a great majority of the development costs, he said.

One square meter of land will sell for 65 dollars — some 40 percent less than that for competing industrial zones in the country, he said.

NEC Wins Order for Tanzanian Telecom System

OW2811061495 Tokyo KYODO in English
0552 GMT 28 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 28 KYODO — NEC Corp. said Tuesday [28 November] it and Mitsubishi Corp. have jointly landed a 1.7 billion yen order from Tanzania for a digital communications system as part of a project to modernize the country's communications infrastructure.

The digital microwave system, capable of transmitting up to 140 megabits of data per second, will extend 1,200 kilometers from Dodoma, the political center of the country, to the northern city of Arusha by way of Dar es Salaam and Zanzibar.

Under the contract, financed partially by the World Bank, the Japanese electronics giant will install a 140-megabit system and 30 transponders as well as 34- and 8-megabit systems with 15 transponders by 1997, an NEC official said.

In 1994 NEC won an order for another 800 km digital microwave system linking Dodoma and Mwanza on Lake Victoria. The new order will bring the NEC-installed network in Tanzania to 2,000 km, the official said.

The company hopes to win orders for local networks in major cities to be connected with the 1,200 km mainline system, according to the official.

NFP Lawmakers Announce Security Proposals

OW2711132595 Tokyo KYODO in English
1241 GMT 27 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 27 KYODO — A group of hawkish lawmakers from the main opposition Shinshinto (New Frontier Party) announced a set of proposals Monday [27 November] for the nation's security, including a plan to admit Japan's use of the right of collective self-defense.

The proposals were written up by the Shinshinto legislators' League on Security, led by House of Representatives member and former Defense Agency head Kazuo Aichi. The group has some 120 members or about half the party's strength in both houses of parliament.

As important political subjects Japan should tackle and realize, the lawmakers propose the use of the collective self-defense right by Japan and expanding the range of Japanese logistic support for the United States so that the two countries can launch joint military activities.

The lawmakers' group calls on the government to upgrade the Defense Agency to a ministry, and set up a central information headquarters.

The group also proposes that Japan enhance its security ties with the U.S., and that the two countries revise the bilateral Status of Forces Agreement to allow more flexible use of Japanese facilities by the U.S. military as well as boost host-nation support expenses paid for U.S. forces stationed in Japan.

Although not included in the proposals, some legislators proposed in the course of discussion that Japan not hesitate to consider the introduction of a draft system because security is a duty of the public, group members said.

Because there are differences of opinion within the study group, the proposals were announced as those made by part of the group.

Kamei Comments on Apology for Historical Cases

OW2511062195 Tokyo SANKEI SHIMBUN
in Japanese 23 Nov 95 Morning Edition p 3

[FBIS Translated Text] Shizuka Kamei, chairman of the Liberal Democratic Party's public relations committee, said on 22 November: "Japan has to express frankly its apologies or remorse for past colonial rule in the future if it wants to survive in the international community. However, the nation's history includes glory, humiliation, and remorse. We should not say we were wrong in all cases." He made the remarks in a speech at party headquarters, referring to Takami Eto, former Management and Coordination Agency director general, who was forced to resign over his remarks on Japan's past colonial rule.

Touching on the South Korean ban on Japanese movies, Kamei indicated doubts about the policy: "The South Korean Government has forbidden the people to touch Japanese culture, thus hindering their understanding of it."

Government's Stance on Religious Groups Reported

OW2811055095 Tokyo KYODO in English
0520 GMT 28 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 28 KYODO — Prime Minister Tomiichi Murayama reiterated Tuesday [28 November] that the government does not plan to change its long-held stance that political activities by religious organizations do not infringe on the constitutional principle of the separation of the state and religion.

"Politicians are free to express their understanding (of the constitutIon) based on their own judgments, but the government has a unified view on the matter and has decided to firmly stick to it," Murayama told the House of Councillors' Special Committee on Religious Organizations.

But he said the government would study the matter after hearing experts on constitutional law.

Murayama made the statement in response to questions by Kazuyoshi Shirahama and Yuichiro Uozumi, both members of the main opposition Shinshinto (New Frontier Party).

The legislators had voiced concerns about demands from within the Liberal Democratic Party (LDP), the major partner in the ruling coalition, to brand political activities by religious groups as unconstitutional.

Article 20 of the constitution stipulates "no religious organization shall receive any privileges from the state, nor exercise any political authority."

The committee is scheduled to discuss later Tuesday a request by the LDP to summon Daisaku Ikeda, honorary chairman of the influential Buddhist lay organization Soka Gakkai, and Einosuke Akiya, its president, to testify before the Diet in connection with the planned revision of the Religious Corporations Law.

Shinshinto Secretary General Ichiro Ozawa denounced such moves Tuesday as "high-handed," arguing, "if the Diet permits such a tribunal-like event, this will lead to the collapse of our parliamentarian democracy."

Shinshinto says the bill is politically motivated and aims to deal a blow to Soka Gakkai, which supports Shinshinto.

The bill to revise the law on religious corporations was drawn up by the tripartite ruling coalition following a series of crimes allegedly committed by the religious group Aum Shinrikyo.

Ruling Coalition Split Over Defense Program

OW2711145495 Tokyo KYODO in English
1445 GMT 27 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 27 KYODO — The tripartite ruling coalition failed Monday [27 November] to iron out differences over two issues on Japan's proposed new defense program outline, including a ban on arms exports, and agreed to meet again Tuesday [28 November] hours before a cabinet meeting scheduled to authorize the plan.

The Liberal Democratic Party (LDP), the dominant coalition force, rejected demands from its two other partners that the program outline incorporate the government's three principles banning arms exports, coalition officials said.

Under the principles adopted in 1967, Japan is not to export weapons to communist countries, to nations facing a UN arms embargo or to those countries involved in international conflicts.

Behind the LDP's opposition to include the principles is the business community's request that the possibility of exporting weapons be left open in preparation for the start of joint arms production with the United States, party sources said.

The LDP's coalition partners — Prime Minister Tomiichi Murayama's Social Democratic Party and New Party Sakigake [Harbinger] — also demanded that the word "ultimate" be dropped from the phrase "ultimate abolition of nuclear arms" as contained in a draft program outline.

The two pacifist parties want early elimination of nuclear arms and argue that the word "ultimate" appears to allow nuclear powers to keep their nuclear arsenals intact for some time.

But the Foreign Ministry is opposed to deleting the word to keep the phrase in line with UN resolutions and other international documents that include it, coalition officials said.

Coalition leaders hope to work out a compromise at another session Tuesday morning in time for adoption by the cabinet later in the day.

But some coalition officials said it is not necessary to stick to the Tuesday deadline.

The new defense program outline is to replace the current version mapped out in 1976 in the midst of the Cold War.

Incumbent Wins Kochi Gubernatorial Election

OW2611125095 Tokyo KYODO in English
1227 GMT 26 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 26 KYODO — Incumbent Daijiro Hashimoto coasted to victory Sunday [26 November] in the gubernatorial election in Kochi Prefecture, western Japan, to gain his second four-year term of office, early official returns showed.

With 81 percent of votes counted, Hashimoto, 48, collected 231,018 against 44,585 earned by his sole rival, Mineo Satake, 47, backed by the Japanese Communist Party.

The winner, half-brother of Trade Minister Ryutaro Hashimoto, 58, is a former journalist for Japan Broadcasting Corp. (NHK).

"It was merely a vote of confidence in the incumbent," one political analyst said.

Voter turnout was a record low of 52.85 percent, down sharply from 75.59 percent in the previous election in 1991. The previous low was the 57.19 percent logged in 1983.

North Korea

Commentary Condemns Defense Cost-Sharing Deal

SK2711145895 Pyongyang Korean Central Broadcasting Network in Korean
1221 GMT 27 Nov 95

[Commentary by Yun Pyong-son: "A White-Livered Act by Nation-Sellers"]

[FBIS Translated Text] According to a report, the Kim Yong-sam traitorous clique conducted an act of worship and subordination to the United States by officially signing a South Korea-U.S. special accord for defense cost sharing on 24 November.

The accord obliges the puppet clique to annually increase by 10 percent its share of the cost for maintaining the U.S. occupation forces in South Korea, with $300 million for this year as a base line. The accord is a statutory form to legalize what was deliberated by South Korean and U.S. military leaders during the recent annual South Korea-U.S. Security Consultative Meeting.

As South Korea officially signed the disgraceful accord on allowing itself to be burdened with a greater share of the cost in accordance with the U.S. masters' brigandish and plunderous demand, the accord will be effective 1 January 1996 and will force the puppets to unilaterally shoulder a greater burden.

The puppets signed the accord, taking no regard of national dignity and interests. This is a white-livered act that can be done only by the Kim Yong-sam ring, vicious pro-U.S. flunky nation- sellers and war servants of the United States.

As everyone knows, the U.S. occupation forces in South Korea are not protectors of the South Korean people, but are aggression forces that infringe upon their sovereignty and are the root of trouble that blocks the Korean reunification and aggravates tensions.

Because of the United States, our country has failed to achieve reunification for over half a century since it was divided into the North and South. The reason the nuclear war danger is roaming above the Korean peninsula is also because of the U.S. imperialists' aggression and war maneuvers.

However, unsatisfied with allowing the entire South Korea to become a U.S. colonial military base, the South Korean puppets submit hundreds of millions dollars to the United States every year under the name of the so-called share of the defense cost. In addition to the defense cost, the puppets provide the U.S. masters with billions of dollars a year, including rental fees for about 100 million-pyong of lands and facilities.

The puppets are also burdened with all the expenses for tens of thousands of South Korean workers at U.S. military bases. As is learned, foreign military bases in other countries are obliged to pay rental fees for the bases. However, far from receiving rental fees for the U.S. military bases, South Korean puppets are begging for the permanent occupation of South Korea by the United States, paying the cost for maintaining the U.S. troops in South Korea with blood taxes squeezed from the people. Can it be possible to see such national traitors and warmongers as the puppets elsewhere on earth?

The Kim Yong-sam ring is indeed a group of nation-selling traitors who exceed those involved in the signing of the Ulsa Five- Point Treaty. The special accord for defense cost sharing is a subservient and nation-selling document, under which the Kim Yong- sam puppet clique is unilaterally obligated to support the U.S. aggression forces in South Korea in return for their remaining in South Korea.

It is Kim Yong-sam puppet clique's invariable ambition to invade the northern half of the Republic with outside forces and to stretch their rotten liberal democratic system to the sphere of the northern half.

The Kim Yong-sam ring signed the nation-selling accord on increasing its cost sharing, challenging the South Korean people's demand for the withdrawal of the U.S. troops from South Korea. This again clearly proves that it dreams of reunifying the country by defeating communism with the help of outside forces by continuously keeping the outside forces in South Korea.

The members of the Kim Yong-sam traitorous clique, as war servants of the U.S. imperialist aggression forces, are begging for the U.S. permanent occupation of South Korea by paying even the blood taxes squeezed from the people, are trying to harm their fellow countrymen while maintaining their lives under the U.S. Forces' protection. We cannot restrain our burning indignation over this.

The Kim Yong-sam traitorous clique's treacherous maneuver against the country and the nation cannot be overlooked. Being held in national contempt and derision by the U.S. aggression forces that have occupied another country is enough to make us furious. Nonetheless, the Kim Yong-sam ring is trying to submit to the outside forces with more money. How can the South Korean people accept it?

The South Korean people will never leave the members of the Kim Yong-sam traitorous clique as they are, and will take them to the court of history without fail.

NODONG SINMUN Praises Pomminnyon Formation

SK2211084095 Pyongyang KCNA in English 0816 GMT 22 Nov 95

["Pomminnyon's Patriotic Cause of Reunification Is Sure To Win Victory" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, November 22 (KCNA) — The formation of the National Alliance for the Country's Reunification (Pomminnyon) (November 20, 1990) was an event of epoch-making significance in strengthening the driving force of reunification on a nationwide scale and expanding and developing the movement for national reunification, says NODONG SINMUN in an article today.

Pomminnyon is an organisation for the reunification movement consisting of patriotic organisations and people from all walks of life in the North, South and abroad aspiring after the independent and peaceful reunification of the country.

In a signed article dedicated to the fifth anniversary of the formation of Pomminnyon, the paper says:

Since its formation Pomminnyon has persistently worked to strengthen the driving force of reunification by uniting the pro- reunification patriotic forces at home and abroad under the banner of national reunification.

Great national unity is the basic ideal of Pomminnyon and national reunification is the noble duty it assumed for the nation.

"10-Point Programme of the Great Unity of the Whole Nation for the Reunification of the Country," which was worked out and published by the great leader Comrade Kim Il-song, the eternal father and the sun of the nation, is the action program and the guideline which should be taken consistently by Pomminnyon in uniting the whole nation and opening the way of reunification.

Pomminnyon should instill into the hearts of the fellow countrymen at home and abroad the basic content and justness of the Ten-Point Programme of the Great Unity of the Whole Nation, make them actively support and defend the programme and thus open the way of national reunification.

It should encourage all the fellow countrymen at home and abroad aspiring after peace and reunification of the country to turn out powerfully in the struggle to found a pan-national reunified state by means of confederacy, which has been agreed to be the way of reunification common to the nation.

As long as the fascist laws such as the "National Security Law" [NSL] and repressive machines such as the "Agency for National Security Planning" [ANSP] exist, the reunification movement cannot be promoted smoothly nor can the reunification through confederacy be achieved.

All the fellow countrymen at home and abroad should smash the anti-national, anti-reunification reactionary offensive of the "civilian"-veiled Kim Yong-sam group and conduct a valiant mass movement to abolish the "NSL" and "ANSP" and all other legal and institutional machines in South Korea, which hinder national unity and reunification.

Invincible is the patriotic cause of reunification of Pomminnyon which is advancing under the banner of the great unity of the whole nation, the great banner of independent reunification.

'Provocations' in DMZ 23, 24 Nov Reported

SK2811015895 Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 25 Nov 95

[FBIS Translated Text] According to military sources, the South Korean puppets committed military provocations on 23 and 24 November, straining the situation in this region by illegally bringing armed rascals into the DMZ.

The puppets brought some 100 rascals armed with machine-guns and automatic rifles into the area 400 meters southeast of Military Demarcation Line [MDL] marker No. 0013 in the western front around 0805 on 24 November [2305 GMT, 23 November] and to the military police guardposts in the DMZ south of MDL marker No. 0560 in the central front around 0840 on 24 November [2340 GMT on 23 November].

Prior to this, between around 1300 [0400 GMT] and 1500 [0600 GMT] on 23 November, a group of some 50 puppet Army officers, coming in some 10 jeeps into the DMZ southeast of MDL markers No. 1206, No. 1249, and No. 1274 in the eastern front, ran amuck holding operational conferences and engaging in reconnaissance of geographical features.

On the same day, the murderous rascals of the puppet Army fully armed with machine-guns and automatic rifles came into the DMZ southeast of MDL markers No. 0038, No. 0233, No. 0740, and No. 1008 in the western, central, and eastern fronts, running wild about reeking powder.

Meanwhile, on 24 November, the puppets brought some 20 military vehicles loaded with armed rascals and murder equipment to military police guardposts and combat positions in the DMZ south of MDL marker No. 0589 in the central front.

The armed rascals and military vehicles the puppets brought illegally into the DMZ in the western, central, and eastern fronts on 23 and 24 November numbered some 1,200, and 300 respectively.

The military provocations the puppets commit repetitively in the DMZ are intentional provocative maneuvers of traitor Kim Yong-sam aimed at alleviating the people's heightening struggle against him due to the slush fund scandal and sustaining his dirty remaining life on the brink of destruction.

Reportage, Comment on Kwangju 'Special Law'

ROK Protesters Lead Support

SK2411111895 Pyongyang KCNA in English 0758 GMT 24 Nov 95

[FBIS Transcribed Text] Pyongyang, November 24 (KCNA) — Some 100 members affiliated with the National Measure Committee for punishment of those responsible for the May 18 massacre and enactment of special law rallied on November 21 in front of the "National Assembly" building in Seoul to urge the enactment of a special law for punishing the murderers of May 18 Kwangju uprisers, a Seoul-based radio said.

Condemning the Kim Yong-sam group and the "National Assembly" for failing to debate on the enactment of a special law, they called for the institution of a special law at the current "parliamentary" session.

The ralliers marched up to the office of the "Democratic Liberal Party", denouncing the Kim Yong-sam group and declared they would continue to hold rallies and demonstrations every day to urge the enactment of a special law.

'Antigovernment' Spirit Cited

SK2511032095 Pyongyang KCNA in English 0243 GMT 25 Nov 95

[FBIS Transcribed Text] Pyongyang, November 25 (KCNA) — The anti-"government" spirit is ever mounting in South Korea over the traitor No Tae-u's slush fund scandal and the issue of the punishment of those involved in the Kwangju bloodbath, according to a news report.

Members of the Fellowship Society for Arrest of Former "President" demonstrated in front of the traitor No's house early on the morning of November 21, urging the punishment of the Kwangju murderers.

They bitterly denounced the Kim Yong-sam group for defending No, who is a killer of Kwangju people and the chief culprit of the slush fund scandal, which has shaked the whole of South Korea.

Some 100 people affiliated with the All-People Measure Committee for the Punishment of Those Involved in the May 18 Incident and Enactment of a Special Law (Pomdaewi) held a rally in front of the "National Assembly" building in Seoul on November 21, demanding the enactment of a special law for the punishment of the Kwangju murderers.

An estimated 500 students belonging to the Kwangju-South Cholla Provincial Federation of University Student Councils (Namchongnyon) staged fierce demonstrations in different places of Kwangju, accusing the Kim Yong-sam group of continuing to defend the Kwangju murderers.

Rev. Cho Kwang-hui in Pyongtaek city, Kyonggi Province, said in an article that the Kwangju massacre should be fully probed, not being buried in history, and its chief culprits should be prosecuted, deprived of their privilege.

South Radio Urges Punishment

SK2711031095 Pyongyang KCNA in English 0254 GMT 27 Nov 95

[FBIS Transcribed Text] Pyongyang, November 27 (KCNA) — South Korean people of various social strata are strongly demanding that the chief culprits of the Kwangju bloodbath be strictly punished and the "presidential election" fund in 1992 made public, according to radio reports from Seoul.

President of the "National Congress for New Politics" (NCNP) Kim Tae-chung, addressing at the inaugural meeting of a district office, Seoul, of his party on Saturday [25 November], said that a special prosecutor system should be introduced for the punishment of the chief culprits and those involved in the massacre strictly judged by the people.

He also said the enactment of the May 18 Special Law and the issue of the slush fund scandal are different things, urging Kim Yong-sam to frankly make public the "presidential election" fund and make an apology.

An "NCNP" spokesman, on the same day, said that a special prosecutor system should be introduced without fail and the slush fund scandal should not be glossed over without the "presidential election" fund being made public.

A spokesman for the Democratic Party, in a statement, said a special prosecutor system is badly needed to faithfully fulfill the purpose of the May 18 Special Law, fully probe the Kwangju massacre and punish those involved in it.

The secretary general of the "United Liberal Democrats," on November 24, said that the fund used by the "Democratic Liberal Party" in the "presidential election" in 1992 amounted to hundreds of billions of won. Noting that "Assemblymen" from his party have documents related to the fact, he demanded that Kim Yong-sam and other candidates make public the amount of money they used.

The National Alliance for Democracy and Reunification said the special law should involve the introduction of a special prosecutor system for the punishment of the murderers.

The Civic Solidarity for Democratic Society and Human Rights said the enactment of a special law must be designed to probe the massacre and punish all of those involved in it.

Kim Tae-chung Comments

SK2811043195 Pyongyang KCNA in English 0231 GMT 28 Nov 95

[FBIS Transcribed Text] Pyongyang, November 28 (KCNA) — Kim Tae-chung, president of the "National Congress for New Politics", said that the traitors Chon Tu-hwan and No Tae-u as well as all those involved in the May 18 massacre should be brought to trial and severely punished, according to a radio report from Seoul.

At inaugural meetings of party branches on November 26 he said that the traitor Kim Yong-sam should apologize to the people for confusing state affairs for two and a half years with his wrong understanding of the May 18 bloodbath and that a special prosecutor system must be included in the May 18 special law.

ROK Students Demand Punishment

SK2811042295 Pyongyang KCNA in English 0303 GMT 28 Nov 95

[FBIS Transcribed Text] Pyongyang, November 28 (KCNA) — Some 1,500 students affiliated with the South Korean Federation of University Student Councils (Hanchongnyon) held a demonstration on the evening of November 27 in demand of the introduction of a special prosecution system for the May 18 incident and the opening to the public of the "presidential election fund" of the traitor Kim Yong-sam, a Seoul-based radio reported.

In the afternoon, some 400 students of "Hanchongnyon" and members of the National Alliance for Democracy and Reunification held a rally in front of the puppet "National Assembly" hall before going over to a demonstration.

At the end of the rally, they marched up to the building of the "Democratic Liberal Party", chanting slogans demanding the punishment of those responsible for the Kwangju massacre, and clashed with the riot police.

That day, the All-People Measure Committee for the enactment of a special law on punishment of those responsible for the May 18 massacre involving 298 civic organisations including the National Alliance for Democracy and Reunification and the Citizens' Federation for Economic Justice held an emergency meeting and decided to work out a unified draft of a special law on May 18 incident, which envisages the introduction of a special prosecution system on punishment of those responsible for the Kwangju massacre.

The Bar Association of South Korea also released a statement demanding that a special prosecution system be introduced to fairly deal with the May 18 incident and the December 12 incident.

Called 'Desperate Measure'

SK2811054195 Pyongyang Korean Central Broadcasting Network in Korean 0853 GMT 27 Nov 95

[NODONG SINMUN 27 November commentary: "The Desperate Measure by a Traitor Who Is Standing at the Edge of a Cliff"]

[FBIS Translated Text] On 24 November, the traitor Kim Yong-sam reportedly instructed the Democratic Liberal Party [DLP] to enact a special law on the 18 May coup d'etat. This sudden measure by the traitor Kim Yong-sam is a submission to the powerful struggle of South Korean democratic forces who demanded that an 18 May special law be enacted to probe the truth of the Kwangju incident and punish the murderers. It is also an elementary victory won by the South Korean people's persistent struggle to probe the truth of the brutal murders in Kwangju and punish the murderers.

The measure to enact the 18 May special law should have been taken in South Korea long ago.

As known, the South Korean people have waged the struggle for 15 years to correctly probe the truth of the large-scale Kwangju massacre and make the murderers stand before the court of history. This is a very just struggle.

The large-scale Kwangju massacre committed by the Chon Tu-hwan-No Tae-u ring was an antihistory violent act of nipping democracy, which grew in South Korea after the Yusin dictator was beaten to death, in the bud with guns and bayonets and reviving the violent military fascist dictatorship. It is also an unprecedented national calamity.

As masterminded by the outside forces from behind the scenes, the Chon Tu-hwan-No Tae-u military hoodlums committed an unheard-of fratricidal massacre by sending two divisions, bestially murdering thousands of Kwangju citizens who stood up for democracy, and submerging the city in a sea of blood.

The criminals who committed an unparalleled grave crime which will never be condoned not only in view of moral principles but also from legal perspectives should have been judged and punished by history and the people.

Nevertheless, the Kim Yong-sam ring has not only relentlessly rejected the people's just demand that the truth of the Kwangju incident be probed and that the murderers be punished, but it also covered up the truth of the Kwangju incident and let the murderers go unpunished by deciding not to institute a public action and insisting that the statute of limitations had run out.

The treacherous betrayal by the Kim Yong-sam ring gave rise to the South Korean democratic forces' greater anger and resistance. Dissidents and people from all other walks of life in South Korea more resolutely stood up in the struggle against the Kim Yong-sam ring, which defended the Kwangju murderers and acquitted them [of the murder], and dissidents strongly demanded that the 18 May special law be enacted and that a special prosecutor system be introduced. Because it could no longer resist the pressure from and the struggle by the people from all walks of life and the dissident democratic forces, the Kim Yong-sam ring reluctantly took a measure to enact the 18 May special law.

People at home and abroad questions why the Kim Yong-sam ring, which had defended the Kwangju murderers by all means and desperately sought to acquit them of the charge, has changed its mind all of a sudden.

A slush fund incident involving the traitor No Tae-u which shocked all the people broke out recently in South Korea, leading to social disorder. In particular, it was revealed over and over again that the traitor Kim Yong-sam, a coconspirator in the slush fund incident involving the traitor No Tae-u, received a large amount of money from him. Therefore, the people from all walks of life relentlessly demanded that No Tae-u and Kim Yong-sam be punished together.

The puppets put the traitor No Tae-u behind bars to keep him from confessing to their crimes. Nevertheless, the people are waging the struggle against Kim Yong-sam and the DLP more steadfastly than ever. People fiercely asked Kim Yong-sam to repay all the money he received from No Tae-u and stand before the court of history with No Tae-u. As a result, the puppet Kim Yong-sam clique was literally standing at the edge of a cliff over which it may fall anytime. The puppets' measure to enact the 18 May special law is a desperate attempt to divert people's attention elsewhere from this catastrophic situation, and escape from the crisis situation.

It is obvious to everyone that contrary to its assertion, the step made by the Kim Yong-sam ring is not an important resolution to correct history, but a popularity-boosting scheme to save itself from the dead end to which it was driven by the trend of the times and, in the long run, create a favorable situation in next year's puppet National Assembly elections. Therefore, one has no reason to have an illusion over the measure by the Kim Yong-sam ring.

What is important is not the declaration that the special law will be enacted but the implementation of the declaration. Just like they reaped an elementary fruit by waging struggles, the South Korean people must reap a complete fruit by waging struggles.

People from all walks of life in South Korea must not stop but continue their struggle to enact the 18 May special law and introduce a special prosecutor system and wage this struggle by closely linking it to the struggle to demand that the slush fund scandal be handled correctly. By so doing, they must have both demands fulfilled at the same time.

Those who belong to the Kim Yong-sam ring are not only the traitors who have defended the chief culprits of the Kwangju massacre and engaged in treacheries hand in hand with them, but also the accomplices of the traitor No Tae-u in the slush fund scandal. The South Korean people must bring Chon Tu-hwan, No Tae-u, and other Kwangju murderers to the court of history and more boldly wage the struggle to eliminate the Kim Yong-sam ring.

The Kim Yong-sam ring must clearly see the situation and leave the issue of the punishment of the Kwangju murderers to the South Korean people, clarify the truth behind the slush fund scandal, and step down without delay as unanimously demanded by the people.

MINJU CHOSON Analysis

SK2811085295 Pyongyang KCNA in English 0818 GMT 28 Nov 95

["New Popularity-hunting Tactics" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, November 28 (KCNA) — The traitor Kim Yong-sam's November 24 direction to the "Democratic Liberal Party" (DLP) to enact a May 18 special law can be said to be a submission to the South Korean people's struggle for strict probe of the atrocities of Kwangju massacre and punishment of the murderers and an elementary victory achieved during the process, says MINJU CHOSON in a commentary today.

The news analyst says:

The Kim Yong-sam group have suddenly reoriented their former position of persistently defending and protecting the murderers of Kwangju massacre, because they have been driven to a tight wall with the revelation of their anti-popular crimes as an accomplice of the traitor No Tae-u, who is a chief culprit of "slush fund scandal," and the Kwangju bloodbath.

The decision for "enactment of May 18 special law," following a step to rename the "DLP," his private political party, some days ago, is an outcome of his last resorts.

The traitor Kim Yong-sam's decision this time is designed to gloss over the crisis at any cost and create a favourable phase for the puppet parliamentary election due next year, by repairing the image of the "DLP."

But, with any sorts of tactics can Kim Yong-sam and the "DLP" neither deceive and flout the South Korean people nor flee from the serious ruling crisis.

Rights Group Wants Investigation

SK2411035195 Pyongyang KCNA in English 0305 GMT 24 Nov 95

[FBIS Transcribed Text] Pyongyang, November 24 (KCNA) — Members of the Civic Solidarity for Democratic Society and Human Rights in South Korea held a rally in Seoul on November 21, urging the puppet authorities to make a thorough investigation into the slush fund of the traitor No Tae-u and disclose the source of the "presidential election" fund, according to a radio report from Seoul.

In a statement they warned that if prosecution minimizes or glosses over the slush fund incident, it will give rise to a strong protest of the people.

They also demanded that Yi Won-cho, who played the key role in amassing the secret fund of the "Fifth and Sixth Republics", be detained at once for investigation and the business tycoons who offered slush fund be prosecuted.

Reaction to ROK 'Election Fund' Scandal Noted

Kim Tae-chung Comments

SK2311051695 Pyongyang KCNA in English 0251 GMT 23 Nov 95

[FBIS Transcribed Text] Pyongyang, November 23 (KCNA) — President of South Korea's National Congress for New Politics (NCNP) Kim Tae-chung, addressing the inaugural meeting of the Sosa District office of the NCNP in Puchon, Kyonggi Province, on November 21, demanded again that the traitor Kim Yong-sam make public the "presidential election fund," according to a radio report from Seoul.

Saying there is a witness who knows Kim Yong-sam received 300 billion won from No Tae-u, he urged the traitor to frankly make public everything now so that there would be no call for the liquidation of the "Seventh Republic" after his retirement.

On Monday, the Democratic Party said, "The elimination of irregularities called for by the government, which cannot make public the presidential election fund of its own accord, sounds like a vacant echo." It urged the ruling camp to make public the "presidential election" fund.

On the same day, the United Liberal Democrats said, "If No Tae- u's slush fund scandal is to be resolved, it is necessary that the ruling camp makes public the presidential election fund as early as possible."

VNS Questions Probe

SK2311094695 Pyongyang KCNA in English 0807 GMT 23 Nov 95

[FBIS Transcribed Text] Pyongyang, November 23 (KCNA) — The Seoul-based radio Voice of National Salvation [VNS] broadcast a commentary titled "What Does the Detention of No Tae-u Mean?"

It is natural that No Tae-u, an unprecedented-in-history murderer who killed thousands of innocent Kwangju citizens for the usurpation of power, and a rare kingpin of thieves, who squandered and embezzled hundreds of billions of won after he took power, is under detention, the commentary said, and continued:

However, No Tae-u's detention makes us have strong doubts whether the "slush fund scandal" will thoroughly be investigated and judged correctly as desired by the people, or not.

Even when being taken to prison, No did utter no word about the "presidential election" fund and prattled that he would take full responsibility for everything. This is a living proof showing more glaringly that his detention was already planned by No Tae-u and Kim Yong-sam through a political bargaining.

The reason why Kim Yong-sam made an arrangement with No Tae-u on his exclusion from society is that Kim Yong-sam has apprehensions that the "three-party merger" fund, the "presidential election" fund and the secret fund for the transfer of power he had received from No might be made public through the mouth of No if he is left free.

What Kim Yong-sam seeks in this is to make people believe that he engages in an "investigation without sanctuary" and, at the same time, bury his irregularities and corruption in oblivion by cooking the scandal behind the scene as he wanted.

Kim Yong-sam produced one more surprise drama called the detention of No Tae-u in an attempt to deceive the people. But, it is a foolish dream.

With no jugglery can he deceive the people.

It is an unbreakable will of the people to make a thorough investigation into the scandal, liquidate the corrupt politics and build a society based on true democratic politics.

Kim Yong-sam should look square at the will of the people and severely punish No Tae-u as the main culprit who is responsible for killing innocent people in Kwangju and as the kingpin of irregularities and corruption. And he should honestly open his illegal scandals to the people, step down from power and present himself before court of his own accord.

Opposition's Criticism

SK2411111795 Pyongyang KCNA in English
0756 GMT 24 Nov 95

[FBIS Transcribed Text] Pyongyang, November 24 (KCNA) — Opposition parties on November 21, too, ripped at the "Democratic Liberal Party" (DLP) concerning the traitor No Tae-u's "slush fund scandal", according to a Seoul-based radio report.

The spokesman of the Democratic Party in a statement said:

"The 'DLP' once adopted an 'open and review' attitude with regard to the opening to the public of the 'presidential election fund'."

"But, it has suddenly reoriented its former position claiming that it will not make public the campaign fund of its own accord. This is a mockery of the people."

"Who would believe in the 'regime' that cannot open to public the 'presidential election fund' of its own accord?" the spokesman questioned, warning that an unhappy situation may come, if the "government" and the ruling party delay the opening to public of the fund any longer.

The spokesman of the opposition United Liberal Democrats criticised the DLP's refusal to make public the "presidential election fund" of its own accord as "an act further brewing the people's distrust in politics", and urged the "DLP" to open the fund to the public immediately.

The ruling party is shifting the responsibility on to the prosecution and No Tae-u, it said, adding that this should not be the "attitude of the ruling party."

Foreign Media Comment

SK2511112795 Pyongyang KCNA in English
0850 GMT 25 Nov 95

[FBIS Transcribed Text] Pyongyang, November 25 (KCNA) — The South Korean rulers' irregularities related to the traitor No Tae-u's slush fund scandal have come under fire in foreign media.

China's PEOPLE'S DAILY and Cuba's TV reported the news that No was taken to the Seoul prison in connection with the slush fund scandal.

The Italian paper CORRIERE DELLA SERA said No, former "president" of South Korea, was detained because he received a fat bribe. It noted that he amassed hundreds of millions of dollars and gave money to different "parties."

It also said there is a suspicion that Kim Yong-sam received a large amount of money from No, but he denied it. "His party, however, has admitted that he received money," it added.

The Thai paper THE NATION elaborated on the disgraceful end of the successive South Korean rulers, saying that though the present "president" Kim Yong-sam is claiming that he has nothing to do with No's irregularities, he cannot console himself with a thought that his fate may be different from his predecessors'.

The U.S. paper WALL STREET JOURNAL said No's detention gives a strong suspicion that "president" Kim Yong-sam was involved in the collusion between politics and business.

No's slush fund scandal was commented [on] also by media of Switzerland, Peru, Austria, Russia, India, Mongolia, Finland and other countries.

VNS Reports Charges

SK2511112895 Pyongyang KCNA in English
0909 GMT 25 Nov 95

["Corruption and Irregularities of No Tae-u and Kim Yong-sam Indicted" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, November 25 (KCNA) — The Central Committee of the National Democratic Front of South Korea published Wednesday a letter of indictment laying bare the corruption and irregularities of No Tae-u and Kim Yong-sam in connection with the fact that the Kim Yong-sam puppet clique detained the traitor No Tae-u in an effort to bury in oblivion the truth behind the slush fund scandal of the "Sixth Republic" in which the "civilian" dictatorship is involved, according to the Seoul-based radio Voice of National Salvation [VNS].

The document cites materials to prove that the current "slush fund case" is a specimen of power-backed scandals, which is a graphic indication of South Korean society plagued with corruption and irregularities.

It further says:

The "slush fund case" that broke out in August last involves politicians, businessmen and government officials. With the seamy side of the case being brought into bolder relief as the days go by, the scope, method of amassing money and areas in which the money used are made clearer.

The money No Tae-u received from particular big businesses with rights and interests as a bait has been estimated so far to be astronomical figures. During his term of office No received 260 billion won of slush fund by accepting the orders for the construction of power plants, 480 billion won by granting some companies the rights and interests for the electrification project of the Seoul-Pusan high-speed railway section, 510 billion won by granting the rights and interests for the construction of a new airport on the Yongchong Island and 500 billion won by issuing licenses to the Dong-a, Dae-dong and other banks.

He embezzled 50 million dollars from the General Dynamics Co., replacing the original decision made in December 1989 to purchase F- 18s as the fighter planes of next generation with a contract to purchase F-16s in March 1991.

The slush fund the traitor No Tae-u misappropriated through the "Yulgok project" during his term of office has amounted to 420 billion won.

During his staying in power No approved 139 construction projects of golf links and received 139 billion won, or one billion won from each of the projects granted.

No Tae-u, a military gangster, seated himself in the "presidential" chair in "Chongwadae" with a 36 percent vote and raked up more than 2,000 billion won of slush fund through the money-making networks throughout South Korea.

Noting that Kim Yong-sam is precisely an accomplice of the "slush fund scandal" of No Tae-u, the document says:

The argument of the traitor Kim Yong-sam that the current case is confined to the illicit money making of No Tae-u is a cunning trick to cover up the crimes he committed as an accomplice.

Kim Yong-sam helped No Tae-u seize power as he had promised in a secret confab with No at the time of the popular resistance in June 1987, going against the call of broad segments of the people for the only candidate from opposition camp for presidential race, received 30 billion won in reward for it and, afterwards, he received secret fund from the "Chongwadae" every month.

At the time of liquidation of the "Fifth Republic," Kim Yong-sam received 60 billion won of political funds in secrecy from No Tae-u, who was facing a serious "government" crisis. So, he broke up cooperation of the opposition camp at the "Special Committee on the Fifth Republic" and took the lead in aborting legal punishment of Chon Tu-hwan.

After the "merger of three parties," a source of the "Secretariat of Chongwadae" said "the Democratic Liberal Party could come into being because Kim Yong-sam thought he could hardly come to the throne if he remains in the opposition camp while the ruling camp wanted to reorganise the position of the ruling party from a minority to a majority and that of the opposition camp from a majority to a minority in the parliament, and because Kim Yong-sam received 100 billion won in return for the merger of the parties." This eloquently shows the truth behind the merger of the three parties backed by money.

Around the "14th presidential election" Kim Yong-sam met with No Tae-u four to five times. In the meeting of October 2, 1992, Kim Yong-sam received 500 billion won as "election" campaign fund. At the secret meetings in December 1992 and on February 24, 1993, Kim Yong-sam promised to guarantee No Tae-u's personal safety after his retirement and, in return for this, received tens of billions of won as "congratulatory fund for Kim Yong-sam's election" and 190 billion won as the fund "for taking over the government."

After Kim Yong-sam settled in "Chongwadae" he completely grasped No Tae-u's secret funds through clandestine investigation and blackmailed No Tae-u. When associates of the "Sixth Republic" threatened that the present "government" would not be safe if they spoke out, Kim Yong-sam stopped the "investigation" and received tens of billions of won as secret funds from No Tae-u in reward.

At the time of the enforcement of the "real-name financial transaction system," which Kim Yong-sam called the most important of reforms, he misappropriated more than 400 billion won.

The current slush fund scandal of No Tae-u clearly reveals that Kim Yong-sam, a child of the "Sixth Republic" military government, is a very crafty and shameless imposter.

After lining his pocket with a huge sum of black money on the "money-making cushion" of No Tae-u, Kim Yong-sam is trying to conceal the truth with the perfume of "civilian politics." However, he can never conceal the corrupt colors of the "civilian" dictatorship.

The slush fund scandal proves that Kim Yong-sam's lavish advertisement about "fair election," "democracy" and "civilian politics" is all deception and it can never be realised under the colonial fascist system and that the United States is the mastermind of the corruption of South Korean society in that it has fabricated, patronised and supported the corrupt dictatorial "governments" bent on stifling democracy and betraying history.

Pro-democracy resistance against U.S. imperialism and dictatorship is the only way to liquidate the corrupt structure of South Korea.

If a new society, independent, justice-oriented and democratic, is to be built in South Korea under the sway of fascism and irregularities, we must uproot the corrupt colonial system of South Korea through a nationwide struggle against outside forces and expel the chronic practices of power-backed irregularities through a valiant struggle against the "civilian" dictatorship.

NCNP Sees 'Emergency Situation'

SK2611081195 Pyongyang KCNA in English
0647 GMT 26 Nov 95

["S. Korean Opposition Party Seeks Measures To Cope With Emergency Situation" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, November 26 (KCNA) — The South Korean opposition "National Congress for New Politics" on Friday urged the traitor Kim Yong-sam to make public the money he received from No Tae-u and the secret fund he amassed by himself and through his relatives and apologize for his irregularities, according to a radio report from Seoul.

It decided to form a committee for measures to cope with the emergency situation in order to smash the plots of the "government" and the ruling party to destroy opposition parties and probe the truth behind the irregularities of the "Sixth Republic" and the amount of money amassed by Kim Yong-sam.

ROK Religious Groups Urge Reform

SK2611081395 Pyongyang KCNA in English
0650 GMT 26 Nov 95

[FBIS Transcribed Text] Pyongyang, November 26 (KCNA) — South Korean believers belonging to four religionist organizations including the National Catholic Priests' Council for Justice called a press conference on November 23, demanding that the Kim Yong-sam group take the slush fund scandal as an opportunity of breaking the collusion between comprador business conglomerates and power, not using it for the interests and policy of the ruling party, and clearly make public the "presidential election" fund in 1992, according to a radio report from Seoul.

On the same day, Cardinal Kim Su-hwan, in a lecture at Seoul National University, said the slush fund scandal is a result of high-handed dictatorial power and demanded that the "presidential election" fund and all other suspicions be thoroughly probed.

ROK Rallies Held

SK2611082695 Pyongyang KCNA in English
0659 GMT 26 Nov 95

[FBIS Transcribed Text] Pyongyang, November 26 (KCNA) — About 30,000 citizens and students held rallies in 14 regions of South Korea on Saturday to urge the puppet authorities and the "Democratic Liberal Party" (DLP) to open to public the traitor Kim Yong-sam's "presidential election" fund and introduce May 18 special prosecutor system, according to radio reports from Seoul.

That day, the National Measure Committee for Enactment of Special Law for Punishment of May 18 murderers, which consists of civic and public organizations, held the 8th national meeting in Seoul.

In a statement the committee claimed that the enactment of the May 18 special law aims at introducing the special prosecutor system for the probe into the truth behind the the Kwangju massacre and the punishment of those responsible for it.

Deputy Reports on Chon Wealth

SK2711094695 Pyongyang KCNA in English
0906 GMT 27 Nov 95

[FBIS Transcribed Text] Pyongyang, November 27 (KCNA) — Kang Chang-song, a Democratic "National Assemblyman" of South Korea, on November 25 said that the traitor Chon Tu-hwan amassed 1,500 billion won when he was the dictator of the "Fifth Republic" and now keeps 700 billion of them, according to a radio report from Seoul.

Chon Tu-hwan, the then commander of the "security command", made illegal fortunes of 60.6 billion won from businesses and the safe of the "government" and used them in the "December 12 coup" and usurped the power, Kang Chang-song added.

Voices demanding the thorough investigation into the whole picture of the "slush fund scandal" and the stern punishment of those responsible for the Kwangju massacre are erupting like a volcano among the South Korean people. At the very juncture, anti- social crimes of the "Fifth and Sixth Republics" forces including Chon Tu-hwan and No Tae-u and the Kim Yong-sam group, their successors, are being brought into light one after another, driving them into a hopeless dilemma.

Anti-Kim Yong-sam Sentiments Noted

SK2711101195 Pyongyang KCNA in English 0924 GMT 27 Nov 95

[FBIS Transcribed Text] Pyongyang, November 27 (KCNA) — A South Korean writer Yi Myong-won made public an article dealing with the voices of South Korean people from all walks of life bitterly denouncing the Kim Yong-sam group after the "slush fund scandal" of No Tae-u has been exposed recently, according to the Seoul-based radio Voice of National Salvation [VNS].

In an article titled "I Go to the Scene of Resentment and Denunciation", the author ridiculed the ugly sight of the South Korean political profiteers driven to the steep cliff for their despicable and disgraceful irregularities and corruption.

He added:

Those who had once made friend with Kim Yong-sam exposed his mentality as a moneygrubber, saying that he and money are like the two sides of a copper.

What Kim Yong-sam thinks while in his office as the "president" is how to engage himself in stealing and making wealth.

It is not secret that Kim Yong-sam opened over 10 secret accounts with several banks and the money amounted to 1,000 billion won.

All those who took the "presidential" seat at "Chongwadae" have been thieves without exception.

Kim Yong-sam, like No Tae-u, is the kingpin of thieves.

Totally forsaken by the people, Kim Yong-sam will certainly be exposed to be the main culprit of the "slush fund scandal" by the judgement of history.

Pointing out that the people are approaching Kim Yong-sam with eyes full of animosity, the author declared:

The politics of South Korea has already been diagnosed as an "incurable cancer".

The way of ushering in an era of a true politics for the people is a struggle for a radical change in the South Korean society such as "Withdrawal of Yankees," "Overthrow of Kim Yong-sam" and establishment of an independent democratic government.

KCNA on 'Fate' of ROK Rulers

SK2811090595 Pyongyang KCNA in English 0815 GMT 28 Nov 95

["Miserable Ends of S. Korean Rulers" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, November 28 (KCNA) — The traitor No Tae-u, the dictator of the "Sixth Republic" of South Korea, was thrown into the Seoul prison recently for the slush fund scandal. He deserved it for his irregularities unprecedented in history.

The ends of all the successive rulers of South Korea were miserable.

The traitor Syngman Rhee, who came to power with the backing of the U.S. imperialists after the liberation of the country, engaged himself in treacheries, serving the U.S. imperialist aggression forces. The heinous traitor ignited a fratricidal war in a bid to "unify the country by invading the North." But he was compelled to issue a statement of resignation by an all-people uprising for overthrowing the puppet regime in April 1960 and lived in exile in Hawaii until he died.

The military gangster, Pak Chong-hui, who rigged up a military dictatorial regime by staging a military coup on May 16, 1961, was hell bent on fascist suppression and all kinds of irregularities, seeking "lifetime presidency." But he was shot to death by one of his servants.

The fate of Chon Tu-hwan and No Tae-u could not be otherwise. They, remnants of "Yusin", staged an Army purge coup on December 12, 1979, to usurp power and committed fascist outrages on May 17, 1980, and a massacre in Kwangju.

Chon could not but issue a "statement of apology," begging forgiveness, gave away his secret fund amounting to 13,900 million won and his property amounting to 2,300 million won and exiled himself to the Paekdam Temple in a mountain. He is now living a miserable life.

No, who is considered to be a shameless fellow overshadowing Chon, amassed more than 1,000 billion won, which is enough to keep him in prison for 200,000 years according to the South Korean law".

The days of the traitor Kim Yong-sam, who is a "civilian" dictator with a career characterised by fascism and treachery, are not easy.

He, an offspring of the "Fifth and Sixth Republics", has turned South Korea into a fascist pandemonium and a grave yard of democracy and the people's rights more terrible than in the period of former military dictatorship, with unheard-of treacheries and fascist traitorous rule, and persistently obstructed the reunification of the country. This is why the South Korean people have already sentenced him to death politically.

Daily Denounces Arrest of Trade Union Official

SK2611083595 Pyongyang KCNA in English 0713 GMT 26 Nov 95

["NODONG SINMUN on Kim Yong-sam Group's Suppression of Minrochong" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, November 26 (KCNA) — NODONG SINMUN today bitterly raps at the Kim Yong-sam fascist clique of South Korea for having arrested chairman Kwon Yong-kil of the National Federation of Democratic Trade Unions (Minrochong), an independent organization of the South Korean workers.

The paper views the arrest as part of their premeditated fascist repressive offensive for cracking down on the ever growing labor movement at the point of bayonet.

In a commentary the paper says who should be handcuffed in South Korea is not the workers calling for vital rights and democracy but the traitor Kim Yong-sam, the kingpin of fascism, treachery and irregularities and an accomplice in the slush fund scandal.

The Kim Yong-sam group are trying to prop up the tottering ruling system by allaying the strong public protest against them involved in No's slush fund scandal and brutally suppressing the democratic forces. Their intention is, however, a never-to-be-accomplished illusion.

The puppets must know that the harsher their suppression of Minrochong, the bitterer the South Korean people's protest.

'Suppression' of New ROK Union Denounced

SK2811090195 Pyongyang Korean Central Broadcasting Network in Korean 1224 GMT 25 Nov 95

[Commentary by Kim Ho-sam: "Suppression Will Bring About Bigger Resistance"]

[FBIS Translated Text] According to a radio report from Seoul, on 23 November the South Korean puppet clique perpetrated the fascist atrocity of arresting Kwon Yong-kil, chairman of the National Federation of Democratic Labor Unions [NFDLU] of South Korea.

On that day, the South Korean fascist clique arrested Kwon Yong- kil, who had met NFDLU members concerned to discuss their activities in Karwol-tong, Yongsan-ku in Seoul, through the policemen who were on ambush duty to arrest him.

This is the Kim Yong-sam clique's move to more brutally suppress labor movements seething in South Korea with each passing day.

As is known, the South Korean fascist clique issued a warrant to arrest NFDLU Chairman Kwon Yong-kil in September of last year, and since then, it has tenaciously searched to arrest him. This time, the fascist clique finally perpetrated such a fascist atrocity.

In retrospect, Chairman Kwon Yong-kil's activities thus far are not reprehensible. Nevertheless, the South Korean puppets have been trying to arrest him, charging him with the crime of having agitated the Seoul Subway Labor Union's strike. However, this is indeed preposterous.

As the world knows well, today, South Korean workers have been forced to endure a state of extreme deprivation of political rights more brutally than in the era of the previous military dictatorship. At the same time, even their primary right for existence has been trampled underfoot.

The South Korean workers calling for not only independence, democracy, and reunification, but also the increase of their wages have been the target of the fascist clique's suppression by bayonet. Moreover, their wages are less than the minimum cost of living despite the fact that they are forced to work for the longest hours under the worst working condition in the world.

South Korean publications say that South Korean workers have been treated as machines. This is not accidental.

Such being the situation, South Korean workers have risen up in the struggle for the rights of existence and for democracy. Such a struggle is precisely the exercise of their due rights for genuine living. This notwithstanding, the fascist clique is perpetrating a wholesale arrest of workers. This is a flagrant infringement upon a human being's inherent rights and, therefore, cannot be overlooked.

More intolerable is the fact that the South Korean fascist clique is suppressing Kwon Yong-kil simply because he is a core element of the newly inaugurated NFDLU.

As everyone knows, the NFDLU held an inauguration rally in Yonsei University on 11 November and officially declared its inauguration. The following day, the NFDLU held a commemorative rally in the Yoido Plaza with the participation of approximately 50,000 workers. At the rally, strongly denouncing the Kim Yong-sam ring for branding the union as an illegal organization and as an organization benefiting the enemy the NFDLU decided on the direction of its movement to wage the struggle to legalize the organization.

At the rally, the NFDLU also expressed its will not only to nominate its own candidates who will run for the 15th National Assembly election to be held next year, but also to strengthen an antigovernment struggle in a bid to firmly build its subordinate organizations.

The South Korean fascist clique is afraid of this. This is why the Kim Yong-sam ring is strengthening its suppression of the NFDLU. This can be proven by the fact that the Kim Yong-sam fascist clique has not recognized the legalization of the NFDLU and, instead, has issued an emergency arrest order on some 140 core figures of this organization.

The South Korean fascist murderous clique is attempting to crush the NFDLU from the outset by eliminating core figures of this organization at one blow. However, the Kim Yong-sam clique cannot destroy this organization through fascist suppression. In particular, it cannot block South Korean workers' struggle for independence, democracy, and reunification. Such a suppression by the South Korean fascist clique will result in fanning the burning flames.

Workers under the NFDLU today are filled with the firm determination to cope with the puppets' fascist suppression and to defend their organization with their lives.

The Kim Yong-sam ring should keep in mind that its reckless suppression will bring about a miserable result, should stop its fascist suppression of this organization, and should release Chairman Kwon Yong-kil immediately and unconditionally.

If the South Korean puppets continue suppressing the NFDLU, it will meet greater resistance.

Criticism of Move To Rename DLP

KCNA Denounces 'Trick'

SK2411034595 Pyongyang KCNA in English 0315 GMT 24 Nov 95

[FBIS Transcribed Text] Pyongyang, November 24 (KCNA) — The traitor Kim Yong-sam on November 22 ordered his hirelings concerned to rename the "Democratic Liberal Party" [DLP], his private political party, allegedly to improve its impaired image caused by the "slush fund scandal" of the traitor No Tae-u and take on a new look, according to a radio report from Seoul.

According to his instruction, the "Democratic Liberal Party" will reportedly call a meeting of the "National Committee" at an early date and change its present name.

The "DLP" is now the pronoun of a group of thieves. Kim Yong- sam, its boss, is in a dilemma for his crimes as the kingpin of irregularities and swindles.

Dismayed at this, Kim Yong-sam is employing a trick to change the name of the rotten "DLP" in an attempt to quell down the wrath and protests of the public circles and get rid of his ill fame as the kingpin of thieves.

The traitor Kim Yong-sam had better stop playing such a foolish trick and step down from power of his own accord.

NODONG SINMUN, MINJU CHOSON Report

SK2511044095 Pyongyang KCNA in English 0332 GMT 25 Nov 95

["Attempt To Rename 'DLP' Denounced" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, November 25 (KCNA) — The traitor Kim Yong-sam has reportedly given instructions to his hirelings concerned to rename the "Democratic Liberal Party [DLP]," his private political party, clamouring about "political reform" and "total improvement of the image of the party" on November 22.

Commenting on this, all the Pyongyang-based papers today view this as one more crafty trick to deceive and make a mockery of public opinion at home and abroad and to facilitate the long-term office of the "DLP".

NODONG SINMUN says that in view of the background of the foundation of the "DLP" and the course traversed by it the "Democratic Liberal Party" is a fascist political party against independence, democracy and reunification, a complex of power, money and plot.

The quality of the "DLP," a herd of fascists, traitors and thieves, will remain unchanged, even though it is renamed one hundred times, the paper adds.

MINJU CHOSON says that the traitor Kim Yong-sam should not resort to such an ostrich policy, but open to the public the truth behind the "political fund" he received from No Tae-u and the ill-gotten money and step down as demanded by the people.

ROK Opposition Parties

SK2511111495 Pyongyang KCNA in English 0838 GMT 25 Nov 95

[FBIS Transcribed Text] Pyongyang, November 25 (KCNA) — South Korean opposition parties, on

November 22, accused the "Democratic Liberal Party" of planning to rename itself, according to a radio report from Seoul.

A spokesman for the "National Congress for New Politics" said in a statement that, by planning to change its name, the "DLP" admitted by itself that the three-party merger was the beginning of ruin. He also said the scheme is aimed at allaying the strong public demand that the "presidential election" fund be made public.

Commenting on the scheme, a spokesman for the Democratic Party asked, "Can the remnants of the three-party merger be liquidated with the change of the DLP's name?" He demanded that the "presidential election" fund which has given rise to the most serious misgivings among the people be fully made public.

A spokesman for the "United Liberal Democrats" called for clarifying the truth behind the "presidential election" fund before anything else, saying, "The change of the DLP's name does not mean that it is freed from its past responsibility and obligation."

Kim Yong-Sam Condemned for APEC Summit Moves

'Humiliating Diplomacy'

SK2211085895 Pyongyang KCNA in English 0844 GMT 22 Nov 95

[FBIS Transcribed Text] Pyongyang, November 22 (KCNA) — Treachery of the traitor Kim Yong-sam has reached the extreme.

This has been proved by the humiliating act of Kim Yong-sam at a recent summit meeting of the Asian-Pacific Economic Cooperation (APEC) in Osaka, Japan.

The traitor Kim Yong-sam in the talks with the Japanese prime minister which lasted only some tens of minutes repeatedly said that "it is not good to be deceived by the North" and hurled mud at the efforts for the improvement of relations between the DPRK and Japan. In a "meeting" with the U.S. vice-president, Gore, the traitor begged for the "system of close cooperation between South Korea and the U.S." to cope with "possible provocations by the North".

This can be done only by Kim Yong-sam, an arch traitor.

His effort in Osaka to do harm to the fellow countrymen and beg for "cooperation system" with the U.S. and Japan, his masters, was prompted by a tomfool idea of bridging over the crisis of the "civilian government" on the brink of bankruptcy.

The truth behind the "slush fund scandal" of No Tae-u, which is being brought to light, puts the political situation of South Korea in a bottomless bog.

The South Korean people are urging Kim Yong-sam to open to the public the truth behind the "election fund" he received from No Tae- u and waging a struggle to overthrow the "civilian government". Worse still, the antagonism and discrepancy among the factions within the "Democratic Liberal Party" have been a time bomb that may be triggered off any time and many politicians are unanimous in saying that Kim Yong-sam, who provided a source of money-making for No Tae-u through the merger of the three parties, is a specimen of the politician of the bygone times who should be liquidated.

Such being the situation, the Kim Yong-sam group is persistently clamouring about "possible provocations" by the North and, at the same time, begging for "cooperation system" with outside forces in a bid to divert elsewhere the attention of the people and political circles directed against them and bridge over the crisis of the "government" on the cliff.

Another purpose sought by Kim Yong-sam in his recent humiliating diplomacy is to isolate and stifle the fellow countrymen on the strength of foreign forces at any cost and realise the wild ambition for "unification by prevailing over communism".

To this end, the Kim Yong-sam group staged military manoeuvres of various types one after another from the beginning of the year and recently held the frantic joint manoeuvres codenamed Foal Eagle 95 and Ulji Focus Lens 95 in league with outside forces, creating an atmosphere of war.

When back home, Kim Yong-sam told the puppet defence minister to "follow the movements of the North with vigilance" and "keep full readiness to cope with any unexpected incident". The provocative blast made by him is an open revelation of this sinister intention.

The point at issue is the irresolute attitude of the Japanese authorities, who played into the hands of the Kim Yong-sam group, a herd of traitors.

The chief executive of Japan voiced support to the sinister intention of Kim Yong-sam, contending that "close tieup between Japan and South Korea is a prerequisite to dialogue with North Korea". His utterances are contrary to the spirit of the "agreement on the resumption of negotiations between the DPRK and Japan".

It is stipulated in the agreement that the question of DPRK-Japan relations should be resolved independently in the interests of the two peoples. The Japanese side knows it well.

If the Japanese authorities dance to the tune of Kim Yong-sam, it will bring disgrace to Japan.

The Kim Yong-sam group must clearly see that their foolish anti-DPRK attempts for "cooperation system" will bring nothing but destruction to them.

'Pro-Japanese' Remarks

SK2411043195 Pyongyang KCNA in English
0357 GMT 24 Nov 95

["Base Remarks of Pro-Japanese Flunkeyist Traitor" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, November 24 (KCNA) — The traitor Kim Yong-sam at talks with the Japanese authorities during a recent summit meeting of the Asian-Pacific Economic Cooperation (APEC) in Japan said that "the question of recognition of the past history should be settled in a long-term scale" and told about a "joint study of history", while failing to criticise the remarks of Japanese politicians who are beautifying the Japanese imperialists' crime-woven history of aggression.

Commenting on this a NODONG SINMUN analyst says today:

The traitor Kim Yong-sam is patronizing the outcries of the conservative Japanese politicians to revive the militarist ghost.

This shows he is an ugly pro-Japanese flunkeyist traitor who recognises their remarks and dances to their tune.

It has been made clear that the "Korea-Japan Annexation Treaty and "all other "treaties" and "laws" forced by the Japanese imperialists upon Korea's feudal government are illegal and invalid documents and that the barbarous colonial domination by the Japanese imperialists over Korea for nearly half a century is a history of sanguinary crimes [quotations as received]. This being the situation, the admission of the past aggression by the Japanese imperialists deserves no further discussion.

Nevertheless, Kim Yong-sam talked about a "joint study of the question of understanding the past history" of Japanese imperialists. His real intention is aimed at winning over Japan on the pretext of "joint study," blocking its access to the DPRK and putting a spoke in the wheel of the resumption of the DPRK-Japan talks. He is also trying to divert the attention of the people elsewhere and bridge over the government crisis as his regime is in an extreme confusion and dilemma owing to the "slush fund scandal" of the traitor No Tae-u.

This time Kim Yong-sam more clearly showed that he is willing to commit any flunkeyist treacheries for his greed for power and personal prosperity.

Commentary Calls Kim Japanese Pawn

SK2611124895 Pyongyang Korean Central Broadcasting Network in Korean
0855 GMT 24 Nov 95

[NODONG SINMUN 24 November commentary: "Pro-Japanese Flunkeyist Nation-Seller's Dirty Words and Actions"]

[FBIS Translated Text] The pro-Japanese flunkeyist nation-selling behavior of the Kim Yong-sam ring has reached its climax. This can be seen at the talks with the Japanese authorities during a recent meeting of the Asian-Pacific Economic Cooperation [APEC] in Japan, in which traitor Kim Yong-sam said that the issue of the recognition of past history should be settled on a long-term scale, and he talked about the joint study of history and so on. Thus, he hushed up the absurd remarks of the Japanese politicians who are beautifying and embellishing the Japanese imperialists' past history of aggression, which is filled with crimes.

It is known that in the past several years, absurd remarks recognizing the Japanese imperialists' past aggression and history of crimes have been made among the Japanese authorities. This year alone, former Japanese Foreign Minister Watanabe and the top-level authority enumerated absurd remarks that the Korea-Japan Annexation Treaty was concluded peacefully, and that it is legally valid. When opinion at home and abroad boiled up protesting such remarks, an apology was made.

On 8 November, Minister for Management and Coordination Eto resigned from his position because he made a remark beautifying the colonial occupation of Korea. Such absurd remarks by the Japanese officials gloss over all past crimes by the Japanese imperialists, and thus cover up their crime-filled past militarism, avoid liquidation of the past, and are a manifestation of a criminal ambition to realize by any means possible the old dream of a Greater East Asia Co-Prosperity Sphere.

If the Kim Yong-sam ring had even an ounce of national dignity and conscience, it would make an issue of such brazenfaced words and actions by the Japanese authorities without fail, and move toward punishing and denouncing them. Nevertheless, rather than becoming enraged by the absurd remarks by the conservative Japanese politicians reviving the militarist ghost, traitor Kim Yong-sam is, rather, patronizing them by saying that this is an issue which must be resolved in the long-term and that it is an issue worth joint study. This shows that the puppet traitor not only accepted the criminal absurd remarks by the conservative Japanese politicians, but is dancing to their tune. Thus he is engaging in an act that can be carried out only by ugly, pro-Japanese flunkeyist nation- sellers.

The Kim Yong-sam ring babbled that it would make the repeated distorted remarks by the Japanese reactionaries on the history of past aggression a big issue. This was especially true before the holding of the APEC meeting. However, since he never made such a remark when in Japan, traitor Kim Yong-sam changed his attitude from favoring strong measures to submitting in favor of Japan. When one views this, it shows that this was ultimately only a false gesture intended to obscure their wicked and treacherous political goal.

It has been made clear that along with the Korea-Japan Annexation Treaty, all other treaties and laws forced by the Japanese imperialists upon our country's feudal government are all illegal and invalid documents, and that the barbarous colonial domination by the Japanese imperialists of Korea for nearly half a century is a history of bloody crimes. This being the situation, the issue of understanding the history of the past aggression by the Japanese imperialists deserves no further discussion.

Also, when viewing the Kim Yong-sam ring, one can see that it is a colonial cat's paw group trying merely to maintain the rest of its dirty life by selling the country and nation to outside forces and clinging to the sleeves of its imperialist master. The Kim Yong-sam ring cannot represent the nation, and moreover, the issue of liquidating the past of the Japanese imperialists cannot be resolved by sitting face-to-face with them.

Nevertheless, Kim Yong-sam talked about a joint study of the issue of understanding the past history of the Japanese imperialists. His real intention for this is aimed at winning over Japan under the pretext of joint study, blocking its access to the DPRK, and putting the brakes on the resumption of DPRK-Japan talks. He is also trying to divert the attention of the people elsewhere and bring under control the government crisis, as his regime is in an extreme confusion and dilemma due to the slush fund scandal of traitor No Tae-u.

Ultimately, the Kim Yong-sam ring said it will take strong measures and so on regarding the absurd remarks made by Japanese political circles. This is nothing but a means for them to achieve their insidious political goal of harming the fellow countrymen and achieving stability in their regime.

This time, traitor Kim Yong-sam all the more clearly showed that he is a wicked nation-seller, unhesitatingly willing to commit any flunkeyist nation-selling act to sate his greed for power and personal prosperity by conspiring with the Japanese reactionaries. History cannot by any means be distorted or turned around. Our people have not forgotten the Japanese imperialists' history of past aggression and criminal acts, and they will make Japan pay the rice without fail. The South Korean people will by no means tolerate the Kim Yong-sam treacherous bunch, who are working as the cat's paw of the Japanese militarists in their repeat attempt at aggression.

Commentary Denounces Japanese 'Militarism'

SK2211090695 Pyongyang KCNA in English 0830 GMT 22 Nov 95

["Ghost of Militarism Hanging About" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, November 22 (KCNA) — A magazine for teachers made its appearance in Japan this autumn calling for "rectifying a misconception of history" such as admitting Japan's past aggression and crimes, which is an indication that the ghost of militarism is prevailing in the society of Japan and finding its way into campus, says NODONG SINMUN in a signed commentary today.

It was reported by the November 16 issue of ASAHI SHIMBUN that "REFORM OF CLASS 'RECENT AND CURRENT HISTORY'", a magazine for teachers, was founded.

NODONG SINMUN says that history should be appreciated fairly and educational circles of Japan should be very instrumental in enabling the arriving generation to have a correct understanding of the past crimes-woven history so that they may never repeat what puts them to shame.

The news analyst further says:

Notably, we cannot remain an onlooker to the fact that the editors of the afore-said magazine are defending the history of aggression of Korea by the Japanese imperialists and their colonial domination over the country.

It is an ill-boding move that some official figures of Japan said that the illegal "treaties" the Japanese imperialists concluded with Korea by force of arms in the past, were "valid" and "lawful", and that the Japanese imperialists did some "good things" in Korea and a magazine published in Japan for the teachers echoed what they asserted.

They seek in this to beautify and justify the history of aggression and crimes committed by Japan in the past at any cost, refuse to atone for the past and create an atmosphere for the wild ambition for the "Greater East Asia Co-Prosperity Sphere" the empire left unfinished.

Japan's militarist past cannot be concealed nor be justified. It is obvious which way Japan will take not only today, but also tomorrow, when the new generation of Japan are imbued with militarism spread by militarists.

The criminal moves of the Japanese reactionaries to whitewash the past will invite bitterer condemnation from the Asian peoples and sharpen their vigilance.

Talk Recalls 'Vicious' Japanese Occupation

SK2711033795 Pyongyang Korean Central Broadcasting Network in Korean 0751 GMT 25 Nov 95

[Unattributed talk: "The Japanese Imperialists Were the Most Vicious Aggressors and Occupiers"]

[FBIS Translated Text] The Japanese imperialists were the most vicious aggressors and occupiers of Korea. From the outset, the aggression and colonial rule of Japanese militarism in Korea was committed under the pressure and high-handedness of force of arms. The unfair Kanhwado Treaty of 1876 and the Korea-Japan Protocol of 1904, which permitted the Japanese Army free activity in Korea, were fabricated by threat and coercion supported by force of arms.

In particular, the five-point Ulsa Treaty, fabricated on 17 November 1905, was a brigandish illegal and illegitimate treaty of aggression filled with a trickery, fraud, and falsity unprecedented in international law and customary international practice.

The old Japan arbitrarily fabricated the five-point Ulsa Treaty without the Korean Emperor's approval or without his affixing the imperial seal, doing so with the support of the armed forces, thus achieving the illegal occupation of our country. The ensuing treaties and legal documents were all illegal and invalid documents of trickery and fraud which the Japanese imperialists fabricated to hide the criminal nature of their aggression against and military occupation of Korea.

In view of the requirement and principle of international law, treaties which are signed under duress of force are invalid.

Kurachi Tetsuyoshi, director of the Political Bureau of the Japanese Foreign Ministry at the time of the Korea-Japan merger, stated in his book titled "Public International Law" that, in view of international law in those days, a treaty cannot be valid if an act of compulsion or coercion is inflicted at the time of the signing of the treaty. This is an admission that all treaties the old Japan forced upon our country are invalid.

Article 55 of the Vienna Convention on the law of treaties, today's international law, stipulates that treaties signed as a result of threat of force or the exercise of force are invalid. In short, all old treaties and laws Japan forced upon our country in the past are invalid. It was an international crime which trampled upon international law, international common practice, and the principle of fairness.

The crime Japan committed in occupying Korea and installing colonial rule cannot be rationalized or justified. The 40-odd years of Japanese imperial colonial rule over our country was the culmination of the most vicious military fascist terrorist rule.

It is well known that Japan applied all sorts of savagery in its colonial rule to turn our country into a colony and to make our people slaves of the Yamato nation forever. Rule by military force, cultural rule, and fascist terrorist rule were the Japanese imperialists' typical vicious ways of colonial rule.

As for rule by military force, it proved to be the most openly- military and feudalistic mode of colonial rule, being implemented in the initial stage of their colonialization of Korea. The basic feature of the notorious rule by military force was that Japanese militarism bestially oppressed the Korean people with the violence of military surveillance in all fields—political, economic, ideological, and cultural—and brought our country under complete colonial rule.

By changing the ways of colonial rule, such as cultural rule and fascist terrorist rule, the Japanese imperialists bound our people to the frightening chain of colonialism, committed all kinds of vicious acts, obliterated our national independent consciousness and patriotic spirit, and ran amok to achieve a colonial empire.

In order to eternally occupy our country, the Japanese imperialists fabricated all kinds of vicious laws and fascist dictatorial organizations, and forced our people to abide by Japanese law.

The fellow Terauchi, the first Japanese governor-general of Korea, spoke vehemently, saying Koreans must unconditionally obey Japanese law or die. In reality, while crying about the so-called theory of superiority of the Yamato nation and the nation's [word indistinct], Japan wielded guns and knives, forcing our people to unconditionally obey the Japanese nation and Japanese law.

Our country was changed into an enormous prison, a land barren of human rights, a dark world which was entwined within the chain of the Japanese imperialists' barbarous iron-fisted rule. Due to the Japanese imperialists' maneuvers to achieve our national extermination, to obliterate our national culture, and to become a colonial empire, it was inevitable for our nation to be robbed of its language, its name, and our surnames which were developed generation after generation.

The Japanese imperialists were brutal and wicked killers who wore a human mask. They regarded human hunting as joy, deriving pleasure when they saw Korean blood. During the entire period of colonial rule, the Japanese imperialist aggressors, who were accustomed to a wicked ideology of detesting man in which human beings were regarded as human wolves, did not stop for a moment their bloody murderous atrocities.

Some 1 million innocent people were victims of the Japanese imperialist's murderous brutality; some 200,000 women were forced to become sex slaves of the empire's army, during which most of them were killed; and some 6 million youth were forcibly taken by the Japanese imperialists, suffering pain and calamity. The Japanese imperialist murderers unhesitatingly committed all kinds of murderous atrocities which history had never experienced, ruthlessly defiled man's dignity, and threw a wet blanket over mankind's civilization.

Inhumane murderers like the Japanese imperialists are indeed mankind's disgrace and the Japanese nation's shame. Japan must recognize, apologize for, and settle its criminal history of aggression and colonial rule against Korea. Nonetheless, the Japanese reactionary ruling class beautify and acknowledge the crimes of the past because they have not thrown away the militarist historical outlook and outlook on aggression, and instead are trying to repeat the crimes of the past.

It will be good for Japan to admit to the great crime it has committed toward Korea, and to properly liquidate it. This is the only correct road for Japan to shake off its criminal past and confused conscience, and to live honorably.

Yi Chong-ok Meets Russian Communist Delegation

SK2211114795 Pyongyang KCNA in English
1053 GMT 22 Nov 95

[FBIS Transcribed Text] Pyongyang, November 22 (KCNA) — Yi Chong-ok, member of the Political Bureau of the Workers' Party of Korea [WPK] Central Committee and vice-president of the DPRK, today met and had a friendly talk with Oleg Shenin, chairman of the Council of the Union of Communist Parties-the Communist Party of the Soviet Union, and his companion at the Mansudae Assembly Hall.

On hand was Deputy Department Director of the WPK Central Committee Chi Chae-yong.

Oleg Shenin said that he witnessed the immortality of socialism and its superiority in Korea and that the WPK plays the leading role in the struggle for socialism in the world at present and Comrade Kim Chong-il is the supreme commander of the struggle.

He stressed that the Korean people will surely emerge victorious in accomplishing their cause because the whole party and all the people are united close around Comrade Kim Chong-il and the revolutionary cause of the outstanding leader in the world has been successfully carried forward at the highest level.

BEIJING RIBAO Group Pays Homage to Kim Il-song

SK2511033695 Pyongyang KCNA in English
0245 GMT 25 Nov 95

[FBIS Transcribed Text] Pyongyang, November 25 (KCNA) — A delegation of BEIJING DAILY [BEIJING RIBAO] of China led by its Deputy General Director Dong Yaochang called at Kumsusan Memorial Palace where the great leader President Kim Il-song is preserved in state and paid homage to him on November 23.

The guests expressed reverence before the statue of President Kim Il-song and made bows to him lying in state.

The head of the delegation said the death of Comrade Kim Il-song was a big loss to the world political circles, noting he will be alive forever in the hearts of the Chinese and Korean peoples.

Earlier, the delegation presented bouquets of flowers and made bows before the statue of President Kim Il-song on Mansu Hill.

KSDP Group Leaves for European Tour

SK2511113295 Pyongyang KCNA in English
0910 GMT 25 Nov 95

[FBIS Transcribed Text] Pyongyang, November 25 (KCNA) — A delegation of the Korean Social Democratic Party (KSDP) led by Chairman of the KSDP Central Committee Kim Pyong-sik left here today to visit European countries.

The delegation was seen off at the airport by Vice-Chairman of the KSDP Central Committee Mun Pyong-nok.

Trade Union Delegation Departs for France

SK2711100095 Pyongyang KCNA in English
0917 GMT 27 Nov 95

[FBIS Transcribed Text] Pyongyang, November 27 (KCNA) — A delegation of the General Federation of Trade Unions of Korea led by Yi Chin-su, vice-chairman of its Central Committee, left here today to participate in the 45th congress of the French General Confederation of Labour.

WPK Delegation Departs; Yemeni, Japanese Arrive

SK2811103595 Pyongyang KCNA in English
1012 GMT 28 Nov 95

[FBIS Transcribed Text] Pyongyang, November 28 (KCNA) — A delegation of the Workers' Party of Korea [WPK] led by Yim Sun-pil, vice-director of a department of the WPK Central Committee, left here today to participate in the 14th congress of the Spanish Communist Party.

A delegation of the General People's Congress of Yemen led by its Deputy General Secretary Yahya Muhammad al-Mutawakkil, and adviser to the Aichi Prefectural People's Council for the normalization of Japan-DPRK relations Takashi Suzuki and his party arrived here today.

Cooperation Protocol Signed With Bulgaria

SK2811034195 Pyongyang KCNA in English
0232 GMT 28 Nov 95

[FBIS Transcribed Text] Pyongyang, November 28 (KCNA) — A protocol on cooperation between the Foreign Ministries of the Democratic People's Republic of Korea and the Republic of Bulgaria was signed in Sofia on November 23.

The protocol was signed by Kim Chang-yong, vice-minister of foreign affairs of the DPRK, and Konstantin Glavanakov, vice- minister of foreign affairs of Bulgaria.

Video Footage of Kim, KWP Anniversary Cited

OW2711144095 Tokyo SANKEI SHIMBUN
in Japanese 24 Nov 95 Evening Edition p 1

[FBIS Translated Text] On 10 October North Korea (DPRK) celebrated the 50th anniversary of the foundation of the Korean Workers' Party. SANKEI SHIMBUN recently obtained a (5-hour) video of footage of the celebration, which is believed to have been filmed by Pyongyang.

The video footage includes scenes of "a review of troops and a 100-million-strong mass rally" and "an evening party and a torch march" held in Kim Il-song Square in Pyongyang on 10 October. It also includes scenes of "mass games" held at the Kim Il-song Stadium. Secretary Kim Chong-il appears in each scene.

The video footage shows Kim Chong-il laughing when Defense Minister (People's Armed Forces Minister) Choe Kwang-kuk whispers in his ear, and smiling when a boy drapes a scarf around his neck. Such video scenes of the "great leader," his face wreathed in smiles, are rarely seen.

Public Security Officials Convene in Pyongyang

SK2311105595 Pyongyang Korean Central Broadcasting Network in Korean
2100 GMT 21 Nov 95

[FBIS Translated Text] A national meeting of public security functionaries was held in Pyongyang, the capital of the revolution, from 19 to 21 November.

The meeting summed up the achievements made by the public security functionaries in their struggle to defend the gains of the revolution and the chuche fatherland, bearing in mind their duty as the executors and guards of laws under the wise leadership of the party and the leader [suryong]. The meeting also discussed measures to firmly defend the socialism of our own style by law by intensifying and developing the work for public security.

The meeting fully displayed the firm will of the public security functionaries who hope to share their life and death forever with the party, upholding the leadership of the respected and beloved Supreme Commander Comrade Kim Chong-il, and served as an opportunity of bringing about a new turn in carrying forth the glorious mission and duty of the public security agencies of defending the party, the leader [suryong], and the socialist fatherland.

Placed in front of the meeting hall, with the party flag as its background, was the portrait of Comrade Kim Il-song, the great leader of our party and our people. Slogans reading "Long live the great leader Comrade Kim Il-song!" and "Long live the glorious Workers Party of Korea [WPK]!" were also installed."

Hung in the backdrop of the platform were a model of Mt. Paektu symbolizing our party's brilliant revolutionary tradition, a model of a cap-badge of the Ministry of Public Security, and a placard reading "the National Meeting of Public Security Functionaries 1945- 1995."

Hung at the report meeting hall were slogans such as "Let Us More Thoroughly Arm Ourselves With the Great Leader Comrade Kim Il-song's Revolutionary Idea!" "Let Us Fight for the Respected and Beloved [kyongaehanun] Supreme Commander Comrade Kim Chong-il by Sacrificing Our Lives!" and "Let us become true loyalists who sacrifice their lives for the great General Kim Chong-il"

Present at the meeting were Comrade Kye Ung-tae, member of the Political Bureau of the WPK Central Committee and secretary of the party Central Committee; Comrade So Yun-sok, member of the Political Bureau of the WPK Central Committee and responsible secretary of the South Pyongan Provincial Party Committee as well as chairman of the South Pyongan Provincial People's Committee; Comrade Yon Hyong-muk, candidate member of the Political Bureau of the WPK Central Committee and responsible secretary of the Chagang Provincial Party Committee as well as and chairman of the Chagang Provincial People's Committee; Comrade Paek Hak-nim, vice marshal of the Korean People's Army and minister of public security; responsible functionaries of the Ministry of Public Security; responsible functionaries of party committees and public security agencies in provinces, cities, and counties; heroes; war veterans; and exemplary public security workers.

The reporting meeting began with the chorus of songs "General Kim Il-song" and "Dear Comrade Kim Chong-il."

Comrade Kye Ung-tae conveyed a congratulatory message from the WPK Central Committee to the participants in the national meeting of public security functionaries.

Chae Mun-tok, director of the Political Department of the Ministry of Public Security, delivered a report, which was followed by discussions. Those who participated in the discussions were Generals Hwang Chin-taek, Kim Chang-in, So Chun-pong, Yim Chung-sok, Kim Song-uk, Ho Yong-tae, Pak Yun-mo, and Cho Yong-nam; and Officers Kim Chun-kwan, Cha Yong-son, Chong Tok-nam, Song Yun-ki, Yun Su-pom, An Hak-sung, Yi Chong-hwan, Yi Tok-ho, An Chon-tok, Yi Yong-sok, No Chol-ho, Kim Ha-chol, Chin Song-sik, Yi Chong-sik, Yi Kwang-won, Kang Chong-kun, Han Chong-won, Nam Chang-nok, Kye Su-won, Kang Sung- tae, Han Man-ho, Chu Sin-hyok, Choe Kon-kil, and Kim Hui-sam.

A message of pledge to the respected and beloved Supreme Commander General Kim Chong-il was adopted at the meeting.

The meeting was overflowing with the unshakable faith and revolutionary zeal of the participants who resolved to firmly defend the security of the socialist fatherland and the people and to resolutely defend and safeguard the party and the leader [suryong] by further intensifying and developing the work of public security in conformity with the demands of a new era in which the chuche revolutionary cause, pioneered at the thick forests of Paektu, has been extensively inherited and is being consummated.

Electricity Production Increase Noted

SK2311121095 Pyongyang KCNA in English 0820 GMT 23 Nov 95

[FBIS Transcribed Text] Pyongyang, November 23 (KCNA) — The output of electric power is increasing in Korea.

According to Kim Yong-tal, director of the Production Control Bureau of the Ministry of Power Industry, the production of electricity went up by 5 percent in the last ten days as compared with the same period of last year.

The generating capacity has been increased at hydro-electric power stations.

The Pujongang power station is turning out more electricity by regularly dredging the water inlet bottom.

The United March 17 hydroelectric power station and the United Taedonggang hydroelectric power station ensured a regular check-up and repair of generating equipment, thus overfulfilling their daily power production quota respectively by 30 and 20 percent.

The Kanggye youth power station has daily produced 200,000 more kwh of electricity than it did before technically improving the cooling water system of generators.

Besides, thermal-power plants such as the Pyongyang thermal-power complex and the Pukchang thermal-power complex, too, are turning out much electricity.

Sadong Resolves To Produce More Consumer Goods

SK2811064895 Pyongyang Korean Central Television Network in Korean 1100 GMT 24 Nov 95

[FBIS Translated Text] [Begin recording] [Reporter] Upholding the party's intent to gain a more affluent life for the people by vigorously conducting the Chong Chun-sil movement, the Sadong District Commercial Management Station built a production base for various products and is further improving the supply work for the residents by producing many people's consumer goods.

[Unidentified first person] The Sadong District Commercial Management Station has accomplished much in upholding the party's intent to let each unit manage its economic life on its own.

[Unidentified second person] That is right. It is the intent of the great general to thoroughly implement the party's revolutionary economic strategy and drastically improve the people's living standard, and I think our party's revolutionary economic strategy is a strategy of self-reliance. Therefore, we have built production bases suitable for our own reality; and, producing various kinds of people's consumer goods, we are supplying them to the residents in the district.

The Sadong District Commercial Management Station is producing people's consumer goods, building various kinds of machines and facilities, such as a footwear production base, a cider production base, and an industrial art objects base.

Moreover, we have a raw material base with a space of some 40 chongbo. We have build excellent cocoon and honey production bases, as well. We are securing necessary raw materials on our own by gathering them from idle materials.

In the footwear production base alone, we produce some 10,000 pairs of shoes of various kinds per year. Producing cotton from various kinds of idle materials, we are making quilts and are supplying them to the residents.

Besides, we produce much honey every year and supply it to the maternity hospital in the district. Utilizing the raw material base well, we raise many pigs and supply them to the residents. We also produce various kinds of industrial art objects.

This is far from an easy job. We lack facilities, labor, as well as materials. But we managed to do it working stubbornly with the conviction that we can do anything if, as the great general wishes, it contributes to people's lives, which is the conviction that if we tackle the work with firm resolve, there is nothing we cannot do.

Thus, in addition to what is provided by the state, we produced many people's consumer goods and supplied them to the residents in the district, thereby actively contributing to enhancing the people's lives.

[Unidentified third person] Through this process, we have once again come to be all the more keenly aware of the importance of the 3 August people's consumer goods policy put forth by the great general and the greatness of the vitality of the Chong Chun-sil movement. We have also come to renew our resolve that as long as we have the revolutionary spirit of self-reliance and fortitude, there will be nothing we cannot accomplish and that if we do as the party tells us to do, we will always succeed.

We will build more production bases we need and conduct the Chong Chun-sil movement more vigorously so that we can manage the economic life of the district better by the strength of the district. By so doing, we will give more profit to the state and further improve the service work for the residents. [end recording]

More People Relocate to Rural Areas

SK2711111495

[FBIS Editorial Report] The following is a compilation of monitored news reports on people reportedly moving voluntarily to rural areas carried by Pyongyang Korean Central Television Network in Korean from 8 to 24 November.

Pyongyang Korean Central Television Network in Korean at 1100 GMT on 8 November carries a short report that Yi Ik-hwan, proofreader at the Foreign Languages Press Group, and his family recently advanced to the state-run Yoltusamchon Farm of the Sukchon County Agricultural Complex "to uphold the respected and beloved general with rice and more resolutely protect the popular masses-oriented socialism of our own style." The report shows part of an interview with Yi. In the interview, Yi expresses the resolution of his family to "devote all their strength to implementing the party's agriculture-first policy."

Pyongyang Korean Central Television Network in Korean at 1100 GMT on 11 November carries a one-minute report on the voluntary move to the Chonsan Cooperative Farm in Anbyon County, Kangwon Province, by Yang Sok-chin, worker at the Locomotive Athletic Team Transportation Section, and his family.

Pyongyang Korean Central Television Network in Korean at 1100 GMT on 20 November carries a three-minute report on the meeting to deliver Kim Chong-il's handwritten letter to Pyon Chong-myong, responsible instructor of the Taehung General Bureau, who has volunteered to move to the Kangan Cooperative Farm in Unpa County. The report says "Pyong Chong-myong and other employees of the Taehung General Bureau were filled with the resolute determination to uphold the wise leadership of respected and beloved General Kim Chong-il, to fulfill their loyal and filial duties for the general, and to actively contribute to enriching our country, our fatherland."

Pyongyang Korean Central Television Network in Korean at 1100 GMT on 21 November carries a short report on the voluntary move to the state-run Chilli Farm of the Sukchon County Agricultural Complex by Kim

Hyang-wol, worker at the Tongdaewon Kimchi Plant, and her younger brother Kim Il-chun, worker at the House Construction Station of the Pyongyang Railway Bureau. In an interview during the report, Kim Hyang-wol says: "I think it is a due obligation of our youths, of the younger generation, who have grown up in the bosom of the respected and beloved general, to advance into the socialist rural community, upholding the fatherly leader's lifelong intent."

Pyongyang Korean Central Television Network in Korean at 1100 GMT on 23 November 95 carries a short report on the voluntary move to the Osan Cooperative Farm in Chongju, North Pyongan Province, by Pak Kyong-ok, worker at the Pyongyang Vegetable Research Institute, with her younger sister Pak Kyong-hui who graduated from a senior middle school.

Pyongyang Korean Central Television Network in Korean at 1100 GMT on 24 November also carries a short report on a worker's move to a rural area. The report says: "Comrade Chang Ki-su, worker at the Mangyongdae Machine Tool Plant, and his family have advanced into Sooe-ri, Ullyul County, South Hwanghae Province." The report continues: "He volunteered to move to the area with the determination to make the respected and beloved general happy by increasing the grain production, keeping in mind the restless and sleepless efforts the fatherly leader made for our people's happiness until the last moment of his life." The report also mentions: "After receiving a report on this, great leader [widaehan yongdoja] Comrade Kim Chong-il highly assessed his deed."

South Korea

North Opposes Direct Contact on LWR Project

SK2811093495 Seoul CHOSON ILBO in Korean 28 Nov 95 p 10

[Report by Kim Yon-kwang]

[FBIS Translated Text] It was confirmed on 27 November that at the negotiations being held in New York between North Korea and the Korean Peninsula Energy Development Organization [KEDO] on signing a contract for supplying light-water reactors [LWR], North Korea is persistently opposed to holding direct contacts with the ROK Government and ROK companies which will be in charge of the construction of LWR. A high-level government official said that day: "North Korea is trying to avoid even business talks with the Korea Electric Power Corporation, a primary contractor, and is demanding the expansion of the program coordinator's role, which will be played by a U.S. company, thus creating a major obstacle to the negotiations."

The official also said: "At the New York negotiations, North Korea is demanding that the contract for the provision of LWR specify 'the United States shall serve as the main channel for contacts in this project.'" The official added: "If North Korea's demand is accepted, our technicians of the Korea Electric Power Corporation and the Korea Atomic Energy Research Institute will have to be accompanied by an American whenever they enter North Korea."

The official continued: "North Korea refuses to secure communication facilities between Seoul and Sinpo in South Hamgyong Province, the construction site, and to transport materials and manpower by land."

Regarding the cost for the LWR construction, the official said: "Based on the international market quotation on LWR construction, $2,000 per 1 kw, it is expected that the total cost will slightly exceed $4 billion." The official then added: "North Korea will provide a mock reactor worth $13 million, as well as stevedoring facilities and roads that are necessary for the construction."

North Korea has persistently tried to "exclude South Korea" from the LWR project ever since it specified in the Geneva agreement dated 21 October 1994 that "the United States, which represents the international consortium, KEDO, shall be the main channel for contacts with North Korea."

Defense Minister Issues Directive on Readiness

SK2811083795 Seoul YONHAP in English 0831 GMT 28 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 28 (YONHAP) — Defense Minister Yi Yang-ho issued Tuesday a directive to all commanders and staff members of military units of brigade or higher levels urging them to reinforce military readiness against enemy infiltration.

Pointing out that North Korea might misjudge the current controversies concerning the slush fund scandal and the legislation of a May 18 special law as having adverse effects on the South's military command, discipline and morale, Yi instructed all of his forces "to get united around commanders firmly and strengthen precautions."

The nation's efforts to eradicate political and social irregularities have nothing directly to do with military personnel, but may rather provide an opportunity to "dispel misunderstanding of the Armed Forces on the part of some people and restore the military's genuine honor," the defense minister noted.

"All of us must prevent the North Koreans from making a misjudgement and deter them from provoking the South militarily," the directive said.

Yi also mentioned in the directive that the North Korean Armed Forces have recently been reinforcing offensive exercises, while deploying along the front lines additional offensive weapons like fighters, bombers and long-range guns. He also pointed out the North's heightening of tensions along the Demilitarized Zone by conducting malignant and virulent slandering broadcasts toward the South every day.

Editorial Warns of 'Loose Security'

SK2811143295 Seoul TONG-A ILBO in Korean 28 Nov 95 p 3

[Editorial: "Now Is the Time To Be More Alert Against the North"]

[FBIS Translated Text] The United States recently sent continuous warnings against the possibility of North Korea's military provocations out of adventurism. The United States even strongly asked Japan to stipulate the North Korean threat in the U.S.-Japan Security Treaty, forcing Japan to change its defense plan, which placed emphasis on the northward policy, and focus more on the Korean peninsula. In contrast with this, the ROK is busy with internal political issues, including the special law for the 18 May incident and the secret fund controversy, making people worry about loose security.

At a news conference with Japanese reporters on 21 November, Joseph Nye, U.S. assistant secretary of defense, doubted that Kim Chong-il has grasped power in North Korea, saying: "In the event the situation worsens in North Korea to the verge of disruption, it may turn to adventurism." His remarks hinted at possible armed provocation by North Korea. It is very unusual for a U.S. official to directly mention the possibility of internal split in the North Korean regime. U.S. Ambassador to Japan Mondale also said on 24 November: "The reason for the presence of 47,000 U.S. troops in Japan is because of North Korea's military threat." The 20 November edition of THE TIMES wrote: "It is likely that North Korea will make a desperate choice this winter." The remarks all warned against North Korea's possible armed provocation.

According to ROK defense authorities, despite the serious economic difficulties and food and energy shortages, North Korea increased the frequency of military exercises by 1.2 to 1.7 times this year as compared with previous years. On 21 and 22 October, North Korea conducted a large exercise deploying 350 aircraft to front and rear bases. North Korea has also strengthened the training for 100,000 special operation forces to infiltrate into the rear areas of the armistice line in case of an emergency. These are ill-boding signs.

The question of Kim Chong-il's grasp of power requires more alertness than North Korea's military moves. Delaying the official power succession, he stresses the role of the military in defending the regime and concentrates only on arms reinforcement for reunification through communization, saying: "Power comes from the bayonet." As the United States assesses, this means that he does not have full control over the military. ROK and foreign experts on North Korean affairs share the opinion that North Korea may commit a military provocation once Kim Chong-il judges that it is difficult to maintain the regime due to instability within the power holders.

Our society is, however, busy liquidating the past, including No Tae-u's irregularities and the 18 May incident. Nobody reports to the police when an armed North Korean agent identifies himself. Society is lax and the sense of security is loose. The liquidation of the past may tighten the discipline of the country, but national security is a matter of vital importance to the state's welfare. The noisier the domestic issues grow, the more alert the government should be to closely check the signs of provocation by North Korea and to prepare countermeasures.

Ministry Reports on DPRK Instability

SK2811033495 Seoul YONHAP in English 0303 GMT 28 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 28 (YONHAP) — Due to the severe flood damage this summer, North Korea's grain production this year has fallen short of some 2,600,000 tons of its demand this year with the extreme food shortage likely to emerge as social and structural issues in the communist country.

This forecast was made by the government Tuesday in its meeting convened to discuss national unification issues, with 18 ministers attending under the chairmanship of Deputy Prime Minister and National Unification Minister Na Ung-pae.

In connection with the current leadership system of Pyongyang, the meeting also asserted that unstable factors exist in the communist state's leadership as its de facto leader has not yet completed formal power succession procedures, said Kim Kyung-wung, spokesman for the National Unification Ministry.

North Korea's Kim Chong-il still relies upon the teachings of his deceased father Kim Il-song even although he actually rules the country through a "crisis management system" led by the military, according to the ministry spokesman.

The meeting decided to tighten national security and vigilance towards North Korea in connection with the

North recently increasing its verbal attacks on Seoul as well as infiltration attempts by its armed agents into the South.

Participants at the meeting shared the view that the reclusive communist state is employing "double-faced strategies" in its relations with other countries, meaning that it is striving to improve relations with the United States and Japan while maintaining tensions with South Korea for internal unity, the spokesman said.

One report in the meeting had it that North Korea's trade deficit registered 430 million U.S. dollars during the first half this year, a 59 percent increase from the same period last year.

Referring to the on-going talks in New York on the provision of light-water nuclear reactors to North Korea between the Korean Peninsula Energy Development Organization (KEDO) and Pyongyang, the spokesman said that negotiations are being made in the direction that South Korean standard-type reactors and Seoul's leading role are guaranteed in providing the nuclear facilities.

"The two sides at the New York talks are nearing agreements in many pending issues and are currently working out the final version of the reactor supply contract," an official at the bureau of planning for the nuclear project reported to the meeting.

"But, there is still conflicting views between the two sides over the major points of contact for the reactor project," the source said.

He added that North Korea is adhering to the major points of contact because of its intention to avoid dealing directly with South Korean businesses, which are expected to directly undertake such projects in the North.

'Negative Growth' Seen for North Through 1996

SK2611042095 Seoul KYONGHYANG SINMUN in Korean 26 Nov 95 p 2

[Report by So Pae-won]

[FBIS Translated Text] This year, North Korea's economy will mark 3 to 4 percent negative growth. It is estimated the North Korean economy will also mark negative growth next year.

Accordingly, the negative growth of the North Korean economy, which has continued since 1990, will further aggravate North Korea's economic situation.

This was revealed by Ho Son—head of a section of the Fair Trade Committee who for three years studied the issue of East and West German reunification—during a seminar held in the Chillo Education Center in Yongin, Kyonggi Province, on 25 November, under the auspices of the Research Institute of Reunification and Economics.

Ho Son stated the North Korean economy, which has continued to mark negative growth since 1990, will mark 3 to 4 percent negative growth this year, even worse than last year which witnessed 1.7 percent of negative growth.

Ho Son added that the relative importance of agriculture in North Korea's industry is great. Because of the August floods, approximately 75 percent of all farm land in North Korea was damaged, and plants were ruined. Thus, North Korea's overall industry suffered serious damage, resulting in reduced exports and dullness in the operating of heavy industry.

North Allows Investment in Chongjin, Kim Chaek

SK2511054795 Seoul KBS-1 Radio Network in Korean 0207 GMT 25 Nov 95

[FBIS Translated Text] It was revealed that North Korea has expanded the area of permissible investment by ROK enterprises to include Chongjin and Kim Chaek cities.

The Ministry of Trade, Industry, and Energy and the Institute for Industrial and Technological Information [IITI] revealed that a key official in North Korea's Committee for the Promotion of External Economic Cooperation met with relevant officials of the IITI who visited Yanbian, China, and asked medium-sized ROK businesses to invest in Kim Chaek and Chongjin.

The North Korean side pointed out that Chongjin and Kim Chaek cities had been designated as potential investment areas by the ROK's medium-size enterprises, and asked the ROK to build hotels in these areas and to provide support for the required construction materials.

North Korea's switch from its earlier stance of limiting the advance of ROK business firms to Najin-Sonbong and Nampo industrial complex, to that of also opening up Kim Chaek and Chongjin is attracting the people's attention.

Five Clergymen Begin Visit to North

Travel Via Beijing

SK2811104995 Seoul TONG-A ILBO in Korean 28 Nov 95 p 2

[FBIS Translated Text] Four Catholic priests and one Presbyterian pastor reportedly went to North Korea via Beijing on 25 November. They received invitations from the North Korean authorities and approval from the ROK Government.

A government official said on 27 November that Monsignor Kim Yong-hwan of the Taegu Diocese, Father Kim Sang-chin of the Saint Benedict Abbey, Father An Kyong-yol of the Seoul Diocese, chief of the Banpo Parish Church, and Father Kim Sok-chwa of the Masan Diocese, chief of the Small Village of Jesus, are staying in North Korea at the invitation of Kim Chong-u, chairman of the North Korean Committee for the Promotion of External Economic Cooperation.

Hospital Project on Agenda

SK2811120995 Seoul YONHAP in English
1202 GMT 28 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 28 (YONHAP) — Five South Korean priests are visiting North Korea with government permission, the National Unification Ministry reported Tuesday.

The five are four Catholic fathers and a Protestant clergyman. One of them is Father An Kyong-yol of the Catholic Seoul Archdiocese.

The visitors entered North Korea on last Nov. 25 at the invitation of the North's Committee for Promoting External Economic Cooperation.

During their week-long stay in North Korea, the priests would discuss with North Korean authorities the issue of erecting a 200- bed hospital in the Najin-Sonbong free economic area and restoring the Sorae Church, one of Christian relics in North Korea.

Russian Alpha Antiterrorist Team Arrives

SK2711063095 Seoul YONHAP in English
0621 GMT 27 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 27 (YONHAP) — A six-member team of Russia's anti-terrorist force Alpha, known for its blitz rescue of 27 Hyundai Electronics Co. employees from an armed kidnapper in Moscow last month, arrived in Seoul Monday for a week-long visit at the invitation of the Agency for National Security Planning.

Being the first such Russian troops who have ever visited South Korea, they are expected to be instrumental in promoting cooperation between the two countries in anti-terrorist operations, and their visit is a gesture of Seoul's gratitude for Alpha's rescue of South Korean hostages.

During their week-long stay here, the commandos will tour the nation's anti-terrorist training facilities, as well as industrial facilities in Ulsan and tourist spots in Kyongju.

They will also visit Hyundai Electronics Co. to meet the workers they freed from the abductor in the Russian capital last month.

While on a group tour of Moscow, 27 employees of the company were taken hostage by armed Russian terrorists in Red Square on the afternoon of Oct. 14. All were rescued without injury from their captor by Alphas the following morning after being held about nine hours.

Seoul, EU To Expedite Cooperation Accord

SK2811104395 Seoul YONHAP in English
0819 GMT 28 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 28 (YONHAP) — South Korea and the European Union (EU) Tuesday agreed to expedite domestic procedures for each side for early signing of a framework agreement for trade and cooperation between the two, Foreign Ministry Spokesman So Tae-won said.

The agreement was made during an annual ministerial meeting of Seoul and the EU, which were represented by Korean Foreign Minister Kong No-myong and Vice President of the European Commission (EC) Leon Brittan, respectively.

During the meeting, the 11th of its kind, Brittan notified Kong of the EU's recent decision to contribute to the Korean Peninsula Energy Development Organization (KEDO), the spokesman said, adding that the EU will inform South Korea later of the amount of the contribution and how it will take part in KEDO activities. Spokesman So noted that Brittan requested that South Korea improve investment environment for foreign investors in its domestic market and begin talks on allowing wider access by European telecommunications equipment into Korea.

The EC official also called for Seoul to take measures to protect intellectual property rights [IPR] of EU industries and ratify an Organization for Economic Cooperation and Development (OECD) shipbuilding agreement as soon as possible.

South Korea proposed to sign an agreement on the recognition of industrial standards by one side to the other to facilitate exports while he suggested that both sides start talks on signing such a deal early next year, according to So.

Kong meanwhile asked for the EU's support for his nation's entry bid into the OECD by the end of 1996, stressing that Seoul's pursuit to join has not changed.

During the ninth Korea-EU ministerial meeting held in November 1993, the two sides agreed to sign the framework agreement for trade and cooperation between Korea and the EC to enhance bilateral trade and political relations.

Since President Kim Yong-sam issued a joint statement with the EU commissioner on the agreement's early signing while traveling Europe last March, officials from both parties have held five official and unofficial meetings alternately in Brussels and Seoul to expedite conclusion of the accord.

To be based on the principles of democracy and respect for human rights, the pact aims to increase and diversify bilateral trade, enhance mutual economic cooperation, and promote understanding between the two side.

It will designate as major fields of cooperation trade, agriculture, fisheries, shipbuilding, IPR protection, science and technology, environment, energy, culture, telecommunications and development projects for third countries.

Further on No Tae-u 'Slush Fund' Scandal

Justice Minister Comments

SK2211081595 Seoul YONHAP in English
0754 GMT 22 Nov 95

[FBIS Transcribed Text] Cheju, Nov. 22 (YONHAP) — The administration plans to investigate politicians allegedly involved in the slush fund scandal involving former President No Tae-u.

During his first tour of the Cheju District Prosecutor's Office, Justice Minister An U-man told reporters Wednesday, "If politicians' links are uncovered in the course of the prosecution probe into how No raised slush funds and for what purposes he used them, they will also be questioned."

Referring to No's funds allegedly funneled to the 1992 presidential election campaigns, An said, "Although No has maintained the position that he cannot disclose them, I believe the overall amount of the slush funds he gave to presidential candidates, how he raised them, and specifically where they were spent will be revealed."

The amount of money No gave to the ruling and opposition presidential candidates in 1992 has become the hottest political issue, with Kim Tae-chung, leader of the major opposition National Congress for New Politics, already admitting to having accepted 2 billion won from No. President Kim Yong-sam has insisted that he did not receive any campaign funds from the ex-president directly.

Regarding some reports that the Fifth Republic's President Chon Tu-hwan allegedly gave his incoming successor some money as "a governing fund" on the outset of the Sixth Republic, An replied, "I haven't received a report to that effect, nor do we have a plan to investigate former President Chon Tu-hwan."

As to when former legislator Yi Won-cho and No's brother in-law Rep. Kum Chin-ho of the ruling party will be summoned for questioning for their suspected roles in the amassing of the secret fund, An said, "The prosecution should be able to summon them when necessary depending on the progress of its investigation."

New Bank Accounts Found

SK2811115895 Seoul YONHAP in English
1148 GMT 28 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 28 (YONHAP) — The prosecution on Tuesday discovered new secret bank accounts of former President No Tae-u and promptly began tracing the sources of money in the accounts.

"We have discovered a total of 10 additional bank accounts believed to be part of Mr. No's secret fund, which contained tens of billion won," an official at Central Investigation Department of the Prosecutor General's Office said.

All of the new bank accounts were in either false names or some other persons' names, the official said.

If and when the funds of the new accounts were actually determined to be part of No's slush fund, the total amount uncovered so far would substantially near the 500 billion won No has admitted to having raised.

The prosecution, with search warrants from the court, seized all bank materials related to the newly discovered deposits for use in tracing money sources, the official said.

Funds Linked to Politicians

SK2811105895 Seoul YONHAP in English
1020 GMT 28 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 28 (YONHAP) — A substantial part of the huge slush fund illicitly raised by former President No Tae-u was fond to have flowed into the political circles, a senior prosecutor said Tuesday.

"We managed to find out where Mr. No used part of his secret fund in addition to using the fund in the purchase of some real estates," An Kang-min, head of Central Investigation Department of the Prosecutor General's Office, said.

The prosecution would touch on the use of the slush fund when the outcome of the prosecution probe into the No fund will be announced on Dec. 4 or 5, An said.

Switzerland To Assist Probe

SK2311123795 Seoul YONHAP in English 1057 GMT 23 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 23 (YONHAP) — There has been a progress in the prosecution probe into the suspected deposits of part of former President No Tae-u's secret fund at a Swiss bank thanks to legal cooperation by the U.S. and Swiss Governments, a senior prosecution official said Thursday.

An Kang-min, head of Central Investigation Department of the Prosecutor General's Office, told reporters the Swiss Government had informed Seoul it would cooperate in the Korean prosecution probe to the fullest possible extent.

The U.S. prosecution, too, have completed a review of all records on the smuggling of 200,000 dollars into the United States by No's daughter, So-yong, and are now awaiting a court ruling on whether the papers can be turned over to Korea.

The Korean prosecution suspect that the 200,000 dollars might have come from No's secret Swiss bank account.

A prosecution source said that it was found out that So-yong deposited the 200,000 dollars at 11 banks in the area of Santa Clara, California in January 1990, about one month after she met her father.

Meanwhile, the prosecution were looking into the possibility that there might be more real estates financed with No's slush fund in addition to the four already found to be have been purchased with the secret fund.

"We are tracing the sources of the money used in the procurement of one or two real estates other than the four — Center, Tongnam and Tongho Buildings and the Mirak Refrigeration Co.," An said.

Besides, the prosecution were known to be determining if a large residence owned by No's younger brother, Chae-u, was purchased with part of the slush fund.

The mansion located at a high-class residential area at Yoksam- tong, Kangnam-ku, is valued at 2.5 billion won (3.2 million dollars).

Meanwhile, An's office decided to make public the outcome of its current probe into the No fund on or before Dec. 5, legal deadline for indictment of No Tae-u.

With regard to possible legal actions against some senior aides of No, prosecutor An said, "You will know about it when the results of our investigation are made public."

He thus hinted at taking legal steps against them on a package basis. No aides at issue include Kim Chong-in, Yi Won-cho and Kum Chin-ho, all known to have played in a key role in raising the slush fund.

Asked whether his office was investigating or plans to investigate those politicians known to have raised some funds of their own, An said, "At the moment, we don't investigate them nor have any plan to do so."

Further on Kwangju Massacre Legislation

DLP To 'Appease' Conservatives

SK2811030295 Seoul THE KOREA TIMES in English 28 Nov 95 p 2

[FBIS Transcribed Text] Leaders of the nation's ruling party yesterday pulled out all stops to appease conservative party lawmakers disturbed by President Kim Yong-sam's surprise decision to punish those involved in the 1980 Kwangju massacre through the legislation of a special law.

President Kim, also president of the ruling Democratic Liberal Party, on Friday ordered his party to prepare the legislation for the indictment of former military leaders linked to the 1980 bloody crackdown that left at least 240 people dead in the southeastern city of Kwangju.

Disgraced former presidents Chon Tu-hwan and No Tae-u, then army general and military junta leaders, are widely believed to have played a leading role in the brutal military suppression of the civil uprising for democracy.

The president's about-face from his policy of letting history judge the incident shocked the conservatives with ties to the past military-backed governments of Chon and No, forcing them to brood over their future.

Rep. Ho Hwa-pyong, who served as a member of the junta headed by Chon, expressed strong displeasure at President Kim's decision and said he will soon make a decision on his future course of action.

"I am one of those who played a key role in creating the Fifth Republic led by Chon," said, Ho. "I think I did what I had to do and that the birth of the Republic was inevitable."

He hinted that he will ally himself with Chon and his supporters in coping with the current development, saying he has no intention of avoiding the "shower" himself.

Four of the five lawmakers who are suspected of being involved in the Kwangju massacre are now in the ruling DLP, a marriage of a pro- President Kim group and supporters and the holdovers from the Chon and No in 1990. [sentence as published]

In an apparent move to end the commotion, Party Chairman Kim Yun- hwan told a party meeting that President Kim's decision was only aimed at correcting distorted history.

"It does not necessarily mean the party seeks to distance itself from past history," said Kim, who himself served in major Cabinet and party posts under Chon and No.

His real intention is to wipe out harmful political legacies of the past, he said. "Anyone not directly involved in illegal coups or corruption," Kim said, "can take part in affairs of state with us even if they did work for the past governments."

DLP secretary general Kang Sam-chae echoed chairman Kim's position at a meeting with reporters, denying the news reports that conservatives will be driven out of the party with President Kim's decision to push for the prosecution of Chon and No.

"Not a few party lawmakers served as Cabinet members under the two former presidents," Kang, one of president Kim's proteges, said. "It would be almost impossible to win the general elections early next year without them."

"Should we sever ties with them now, how could we explain Kim's decision in 1990 to create the DLP by merging his group with the then ruling party set up by Chon and No," Kang added.

Law To Reflect High Court Ruling

SK2811064695 Seoul YONHAP in English 0427 GMT 28 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 28 (YONHAP) — Working to draft a special law to punish key figures responsible for the armed suppression of the 1980 Kwangju uprising, the ruling Democratic Liberal Party (DLP) will make a law compatible with the Constitutional Court's ruling scheduled for Thursday on the prosecution's decision not to indict such masterminds.

The party's ad hoc committee that is drafting the rule met Tuesday to discuss measures concerning the possibility that the court will rule against punishing former Presidents Chon Tu-hwan and No Tae-u and their followers on the grounds that the statute of limitations for indicting them on insurrection charges ran out Aug. 15.

In that case, the DLP will have to legislate the statute in such a manner that it will provide for prosecution of the two former leaders on only military mutiny charges, thus excluding from legal proceedings others responsible for the bloody incident, including Rep. Pak Chun-pyong of the opposition United Liberal Democrats, an official said.

But the committee has reportedly decided not to include in the proposed law any provisions for retroactive legislation affecting crimes in which the statute of limitations has run out.

In this light, Rep. Hyon Kyong-tae, the ad hoc committee chairman, said the proposed special law would be so drafted as to avoid the question of whether or not it is a retroactive law, something that the constitution does not allow.

Opposition Takes Position

SK2811105395 Seoul YONHAP in English 0826 GMT 28 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 28 (YONHAP) — Moves are afoot among opposition parties to request the Constitutional Court to shelve its final ruling over the prosecution's decision not to indict figures responsible for the 1980 Kwangju massacre for fear that it might, on the contrary, hinder punishment of these people.

Two opposition parties — the National Congress for New Politics (NCNP) and the Democratic Party (DP) — are strongly opposed to a part of the court's reported decision which addresses the statute of limitations concerning insurrection charges facing former Presidents Chon Tu-hwan and No Tae-u.

The court justices have reportedly concluded that the period allowed for action against Chon and No on such charges should begin from Aug. 15, 1980, when then President Choe Kyu-ha stepped down, and that it should include the years they spent in office.

Under the notion, the statute of limitations for the insurrection charges involving the two ex-presidents ran out last August.

In a meeting Tuesday of its lawyers presided over by Human Rights Committee Chairman Pyon Chong-su, the NCNP discussed applying for deferment of the judicial ruling that is expected to be made Thursday.

Party Spokesman Pak Chi-won said the reported decision against charging Chon and No on insurrection charges due to the issue of the statute of limitation was irrational because during their tenures as president, nobody could indict them in connection with the Kwangju incident.

"Thus in reality, the statute of limitations was suspended when they were president," he claimed.

Rep. Pak Sang-chon of the NCNP said that the court's interpretation of the 15-year statute of limitations including the terms of Chon and No was based on the wrong assumption that both governments were democratic.

"The statute of limitations should be deemed as having been suspended during the tenures of Chon and No as president," said Rep. Chang Ki-uk of the DP, "and I also think that the court's reported decision to count the 15-year limitation from Aug. 15, 1980, when Chon's predecessor Choe Kyu-ha stepped down, was wrong."

Chaebol Leaders Begin Management Reforms

SK2811015495 Seoul YONHAP in English
0130 GMT 28 Nov 95

"Scandal Spurs Chaebol To Seek Management Power Decentralization" — YONHAP headline

[FBIS Transcribed Text] Seoul, Nov. 28 (YONHAP) — Spurred by the No Tae-u slush fund scandal in which many chaebol heads have been deeply implicated, business groups are moving to reform their management structures with particular stress on relegating the chairman's powers to professional executives.

Business sources said Tuesday that chaebols, particularly those heavily involved in the scandal, are seriously studying plans to decentralize the owner-chairman's authority over the group's personnel, financial, and investment policies in such a manner that each of its sister firms can be placed under an independent administration system with its chief executive officer (CEO) assuming full control.

Most CEOs of conglomerate-affiliated companies are college- educated professional executives.

As many heads of business groups are expected to be indicted and possibly convicted on charges of bribery, the decentralization of the owner-chairman's complete control is considered a hedge against the risks stemming from a one-person reign over the chaebol as a whole.

The sources said that the decentralization move is compatible with the government's policy calling for business conglomerates to separate ownership from management.

In some business groups, the owner-chairman's group-wide authority has already been divided so that each affiliate is under its own independent administration system.

Prosecutors To Interrogate Ex-Presidential Aide

SK2811110095 Seoul YONHAP in English
1002 GMT 28 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 28 (YONHAP) — The prosecution plan to question former Chongwadae [presidential offices] Senior Secretary Kim Chong-hwi in connection with irregularities involved in the Yulgok Arms Procurement Project as Kim, now in the United States, recently aired his willingness to return home.

"We understand Kim has disclosed before a government official his plan to return home from the United States," a prosecution investigator said.

"We will question him as soon as he returns home as he is suspected of having deeply been involved in the Yulgok project scandal."

Kim was senior presidential secretary for foreign policy and national security under the No Tae-u administration.

The prosecution suspect Kim might have been involved in the abrupt change of the type of the Korean Air Force's next-generation fighter planes from F-18 to F-16.

The widespread speculation is that No, with Kim acting as a go- between, apparently pocketed a large amount of rebate from the F-16 manufacturer for ordering the adoption of F-16 in place of F-18 that had already been chosen by the military.

Meanwhile, the prosecution Tuesday questioned Tong-A Group Chairman Choe Won-sok again on suspicion that he gave 16 billion won to No Tae-u as bribes in pursuit of business favors.

The total is known to include 5 billion won to obtain a contract for the construction of a naval base in the Asan bay.

DLP 'Tentatively' Decides To Change Name

SK2811084595 Seoul YONHAP in English
0714 GMT 28 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 28 (YONHAP) — The ruling Democratic Liberal Party (DLP) has tentatively decided to change its name to the "Sonjin-tang (Advance Party)" and will use it beginning next week.

The new title will be finally determined by this week's end when the party convenes its caucus and central executive council meetings.

"Sonjin-tang" was chosen Tuesday at the ruling camp's senior officials meeting presided over by party Chairman Kim Yun-hwan at his group's headquarters in Yoido.

Participants at the meeting shared the view that "Sonjintang" was "suitable for the party's objective of accomplishing democracy, freedom and unification through the severing of relations with the previous governments of the Fifth and Sixth Republics."

New Reform Party Holds Inauguration Rally

SK2711090395 Seoul YONHAP in English
0838 GMT 27 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 27 (YONHAP) — The New Reform Party held its inauguration rally Monday at the 63-Building in Yoido, with Hong Song-u and Chang Ul-pyong elected as co- chairmen.

The new party also chose four vice chairmen and created an organ in charge of the party's future integration with the minor opposition Democratic Party [DP].

In its founding declaration, the reform party said that it will lead the nation's political reform, in accordance with the people's fervent desire, and realize the change of political power by real reform-minded forces.

The two newly-appointed co-chairmen stated in their inaugural speech that the current political situation features conflicts between reform-target and reform-drive forces, old and new forces, and immoral and moral forces. "The launch of the New Reform Party is, therefore, a kind of a historic declaration to settle the conflict," both leaders insisted.

In connection with the legislation of the May 18 special law, Hong and Chang called on the government to introduce a special prosecution system to discover the truth of the Kwangju incident and to conduct legal proceedings.

In particular, the two co-chairmen pledged that they will surely complete their party's scheduled merger with the DP to combine reform-oriented forces in politics, civil movements and public officials into one.

New Air Force Trainer Christened

SK2811103195 Seoul YONHAP in English
0806 GMT 28 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 28 (YONHAP) — The Air Force's new trainer aircraft was christened "Ungbi" (Great Flight) in a ceremony held at Seoul airbase Tuesday, with Air Force Chief of Staff Gen. Kim Hong-nae and many other ranking officers attending.

Developed jointly by the Agency for Defense Development and eight domestic companies, including Daewoo Heavy Industries, Samsung Aerospace Industries and Korean Air, the Ungbi is the third model manufactured under the KTX program intended to upgrade the Air Force's trainer squadron.

Carrying President Kim Yong-sam's calligraphy of Ungbi on its fuselage, the new trainer is mounted with a 950-horse power engine and can cover a range of 1,668 kilometers at a maximum speed of 648 kilometers an hour. It measures 10.1 meters long, 10.3 meters wide (including wings) and 3.7 meters high.

It is marked by better performance of flying up and around, lower noise, and smaller fuel consumption than its predecessor, the Air Force said.

The defense industry will begin commercial production of the aircraft in 1999, with an intent to supply some 100 units to the Air Force.

Prosecutors Discuss Narcotics Offenses

SK2511050295 Seoul THE KOREA TIMES in English
25 Nov 95 p 3

[FBIS Transcribed Text] The Prosecutor-General's Office yesterday held a meeting, the first of its kind in the country, of narcotic-control prosecutors from 22 prosecutor's offices across the country.

They discussed ways of strengthening investigations of domestic drug-related crimes which have been on the rise in recent years, a prosecution spokesman said.

During the first 10 months of this year, he said, the number of drug-related criminals totaled some 4,600. Of them, about 2,260 were arrested.

The number of drug-related criminals represented an increase of about 28 percent from 3,600 in the same period last year.

To cope with increasing narcotic crimes, the prosecution has decided to set up a data base on drug traffickers in its computer network, the spokesman said.

The data-based "lists of drug-related criminals" will help the prosecution monitor their criminal activities and conduct a crackdown on their criminal organizations, he said.

As to the links between drug criminal rings at home and aboard, the prosecution plans to strengthen its cooperation with foreign investigative authorities and increase efforts to prevent the influx of drugs from abroad.

Meanwhile, the prosecution reorganized its narcotics-control squads last month to be expanded and specialized by recruiting of professional investigators who exclusively deal with drug-related crimes.

MOTIE To Lower Tariffs, Apply Tariff Quotas

SK2511045495 Seoul THE KOREA HERALD in English 25 Nov 95 p 8

[FBIS Transcribed Text] The Ministry of Trade, Industry and Energy (MOTIE) has been pushing ahead with a plan to lower tariff rates or apply tariff quotas to 49 items, including an anti-lock brake system (ABS) for vehicles, beginning early next year.

Related to this, the MOTIE yesterday sent a document to the Ministry of Finance and Economy (MOFE), requesting the lowering of tariff rates or the application of tariff quotas to the 49 products, a senior ministry official said.

The MOTIE's move is designed to improve price competitiveness of the domestic manufacturing companies, mostly automobile and steel makers, he said.

At the request of domestic automakers, the MOTIE is moving to lower the basic tariff rate on ABS from the present 8 percent to 4 percent starting early next year.

The lowering of tariff rate on ABS will greatly contribute to reducing manufacturing costs of domestic automakers as they are obliged to install ABS in all large-size buses and trucks next year and they have to depend the securing of the auto parts on imports.

To help domestic watchmakers enhance price competitive power, the MOTIE also plans to pull down the basic import tariff rate on a wrist watch movement, one of core parts of watches, to 4.8 percent from the current 8 percent.

At the same time, the MOTIE requested that the MOFE lower the tariff rate on crude oil, diesel oil, Bunker-C oil and aluminum ingots from the present 3 percent to 2 percent next year in a bid to help reduce manufacturing costs of domestic industries.

Agricultural Imports Increase 'Sharply'

SK2711000795 Seoul THE KOREA TIMES in English 27 Nov 95 p 8

[FBIS Transcribed Text] Import of agricultural products has increased sharply this year, the first year of mandatory market opening under the World Trade Organization (WTO) regime.

The import of the agricultural and marine products during the July-September period this year totalled 7.77 billion dollars, 20.9 percent more than that in the same period last year, according to the Ministry of Agriculture, Forestry and Fisheries.

The export produce, however, remained at 2.44 billion dollars, up 16.7 percent over the same period last year. In particular, the import of agricultural products has increased to 4.19 billion dollars, an increase of 26.3 percent.

The import of feed corn, tobacco, coffee, beef, pork and sugar cane accounted for about 30 percent of the total import volume.

Among them, corn and pork from the United States along with Japanese tobacco led the import increase.

The import of corn has increased to 908 million dollars, up 81 percent, due to an ever-increasing demand for it here as a substitute for wheat whose prices have risen considerably in the international market.

Due to a cigarette sales boom, the import of tobacco has increased to 272 million dollars, a 5[illegible] percent increase.

The import of 154 agricultural products has been liberalized this year and their import figure grew to 1.43 billion dollars, an increase of 41 percent.

Japanese imports rose to 184 million dollars, up 53.8 percent. Of the imports, cigarettes increased 102 percent, registering a 105 million-dollar volume.

Overseas Investments To Exceed $10 Billion

SK2811041195 Seoul YONHAP in English 0030 GMT 28 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 28 (YONHAP) — The accumulation of South Korea's direct overseas investments is expected to exceed 10 billion U.S. dollars by the end of this year.

According to the Bank of Korea (BOK) Tuesday, direct investments abroad stood at 22,071 billion won in a total of 885 cases as of during the first nine months of this year, up 45.4 percent over the same period last year.

That figure brought the accumulation of overseas investments ever made by Korean businesses to 9,619 billion dollars in 5,021 cases.

The surpassing of 10 billion dollars in direct overseas investments will have been achieved in 27 years beginning with Korea Nambang Development Company's investment in Indonesia in 1968.

The United States has drawn the largest portion (27.3 percent) of the overseas investments, followed by China with 17.1 percent, Indonesia with 9.7 percent and Canada with 4.6 percent.

Consumer Prices Record Lowest Increase in 9 Years

*SK2811105195 Seoul YONHAP in English
0834 GMT 28 Nov 95*

[FBIS Transcribed Text] Seoul, Nov. 28 (YONHAP) — The increase of consumer prices is registering its lowest level in nine years, with this year's growth rate expected to remain at 4.6 to 4.7 percent, far lower than the 5 to 5.5 percent of the government's ceiling target for this year.

The country's consumer prices slid 0.5 percent in October, and kept a similar level this month, according to data released Tuesday by the National Statistical Office and the Bank of Korea.

Accordingly, the figure soared 4.2 percent during the first 11 months this year, a 4.3 percent rise from a year ago, the data said.

The November figure was all-time low since consumer prices rose 1.3 percent in November 1986 over the previous year, and 1.9 percent over the same month a year earlier, the data showed.

But the government is planning not to loosen the control over such costs, given the possibility of a rise at year's end and next year, and will utilize a strong measure to stabilize prices, an official at the finance-economy ministry said.

Burma

National Convention Reconvenes in Rangoon 28 Nov

BK2811075295 Rangoon Radio Myanmar in Burmese 0630 GMT 28 Nov 95

[FBIS Translated Text] The plenary session of the National Convention was held today at 1000 at the Central Conference Hall in the President's Residence Compound on Ahlone Road in Yangon [Rangoon].

It was attended by Lieutenant General Myo Nyunt, chairman of the National Convention Convening Commission [NCCC]; Lt. Gen. Maung Thint and Brigadier General Myo Thant, vice chairmen of the commission and commission members; U Aung Toe, chairman of the National Convention Convening Work Committee [NCCWC]; U Tha Tun, vice chairman, and work committee members; Brig. Gen. Tin Aye, chairman of the National Convention Convening Management Committee [NCCMC], and committee members; National Convention delegates; and local and foreign journalists.

Lt. Gen. Myo Nyunt, chairman of the NCCC, was chairman while Brig. Gen. Aung Thein, secretary of the NCCC, was secretary for the meeting.

The secretary first declared the plenary session open and valid since 631 out of the 677 delegates were in attendance. Next, Lt. Gen. Myo Nyunt, chairman of the plenary session and chairman of the NCCC, delivered an address.

The full text of Lt. Gen. Myo Nyunt's speech will be broadcast on tonight's news program on radio and TV.

The secretary announced the plenary session will continue at 0900 tomorrow morning.

The plenary session ended at 1030.

Today's plenary session was attended by visiting journalists from foreign news agencies, TV networks, newspapers, and broadcasting stations, and they videotaped, took photographs, and collected news.

'More Than 600 Delegates' Gather

BK2811060295 Hong Kong AFP in English 0535 GMT 28 Nov 95

[FBIS Transcribed Text] RANGOON, Nov 28 (AFP) — More than 600 delegates from across Burma gathered here Tuesday for a National Convention that has been dogged by threats of a boycott by the country's main opposition group.

Delegates from Aung San Suu Kyi's National League for Democracy (NLD) turned up for the convention, but were close-lipped on whether the party had decided to boycott the session in which a new constitution is to be framed.

"Our position remains the same," said NLD chairman Aung Shwe. "You will just have to wait and see." Other NLD delegates also refused to comment on the convention and the party's plans.

The convention, first convened in January 1993, was opened by its convening chairman, Religious Affairs Minister General Myo Nyunt. Organisers said that 631 of 713 registered delegates attended the opening.

Myo Nyunt said the convention had the backing of the people of Burma, and called delegates the architects of the country's new constitution.

He did not refer directly to the NLD, which has called the convention "totally unacceptable" for most Burmese, but did hint that the junta would brook no interference in its plans to draft a constitution on its own terms.

"The government will not let other groups or parties disrupt the convention," he said.

The military, which seized power in 1988, has promised to hand power over to a civilian government after a constitution is drawn up, but insists on maintaining a strong role in future administrations.

The last session of the National Convention, which comprises delegates from political parties, ethnic groups and others hand- picked by the government, in April mapped out autonomous areas for various minorities.

Military Regime Rejects Suu Kyi's Talks Demand

LD2811095595 Melbourne Radio Australia in English 0830 GMT 28 Nov 95

[FBIS Transcribed Text] Burma's ruling military regime has flatly rejected opposition leader Aung San Suu Kyi's demands for talks and a more democratic constitutional process, setting the scene for a confrontation. Opening the constitutional convention, the regime refused to acknowledge any of the opposition's demands, instead warning it will tolerate no interruptions to its plans for future political power. But, [as] Evan Williams reports from Rangoon, the opposition may have to stay in the convention to avoid being disbanded or its leaders possibly jailed.

[Begin recording] [Williams] Suu Kyi's opposition had hoped the regime would use today's meeting to show some form of compromise. Instead, it got more of the same — a lack of response to its call for talks with Suu Kyi and a refusal to change any of the constitutional procedures the opposition calls undemocratic.

[Convention Chairman Myo Yunt, or interpreter] We have been achieving successes in the workings of the national convention up to now and we don't want to allow to depreciate these conditions at any cost.

[Williams] Convention chair Lieutenant General Myo Yunt then went further by warning any active opposition to their constitutional process will be crushed. In a rare reference to the murder of civilians by troops in the riots of 1988, he said if the government had not acted in that way then Burma would be in a much worse situation than that of socialist-transition countries in Europe — a reference to the bloody conflict in the former Yugoslavia. The same policies appear to apply in Burma today.

[Myo Yunt or interpreter] We won't have any disturbances, any interruptions in this matter.

[Williams] A stand now by the opposition is vital, as the convention is about to write the principles for the key constitutional chapters dealing with the executive, judiciary, and legislature. It's in these areas the military is trying to enshrine its future political power. It says its goal is democracy, but at the same time wants a quarter of all levels of government and two of the top presidential positions reserved for the military, outside elections. Despite opposition demands and now public attacks, convention chairman Myo Yunt used his opening statement to reaffirm the military's future political goals.

[Myo Yunt or interpreter] In the future national political leadership, the role of army must be recognized.

[Williams] And that's the principle the opposition says it must fight. Opposition delegates at the opening left with few words, simply stating they had heard nothing new. They yesterday sent a letter to the government seeking a dialogue and a change to the convention's procedures so they could stay on and work with the military, but the regime has refused to give them any leeway. One senior officer left saying only [that] Suu Kyi's demands have nothing to do with the convention.

The army has made it repeatedly clear its convention process will not change from its current course, leaving the ball now with the opposition. Some observers say they risk disbanding as a party and possibly jail as leaders if they boycott the convention, but they'll have a credibility problem with everybody else if they stay after issuing such heavy attacks. It's not democratic, says one ethnic delegate, but what else can we do? At least if we're here, we can talk. But the military shows no sign of wanting to listen to differing views, especially that of Suu Kyi. She is meeting with opposition delegates now to decide the next move, as the military issues increasingly tough warnings about instigating riots and antigovernment sentiment. Opposition boycotts and rallies do not seem immediate possibilities, but the army is likely to respond severely if they do occur. [end recording]

Article Criticizes 'Instigation', 'Rumors'

BK2611115495 Rangoon THE NEW LIGHT OF MYANMAR in English 20 Nov 95 p 5

[Article by U Phyo: "Easy To Mar, Hard To Make — 8"]

[FBIS Transcribed Text] It is heard that the place where people are usually grouped to gossip and spread rumours [referring to the gathering in front of Aung San Suu Kyi's house on Saturdays and Sundays] is provokingly making instigations again.

Making a big fuss of the townspeople's collecting donations on their own accord in Hlaingthaya, they are criticizing it to disparage the government and instigating people saying: "People must not do whatever they are asked, and they must not fear; they will have to fear throughout the lifetime if they give up with fear. Have courage!" Such an instigation is undermining the first political objective of the State "Stability of the State, community peace and tranquillity, prevalence of law and order".

Their instigation is rather like igniting detonator being made with intent to create a situation like the 1988 turmoil and augment the unrest as it would confront the law supporters who would maintain the situation, and so such act should be bridled.

If there arises problems one day and stability of the State and prevalence of law and order be threatened as a result of such instigations, gossip and shuffles as the agitator group continues to undermine stability of the State and community peace and tranquillity, they will be the culprit.

As there is a saying that the more one talks the more one reveals oneself, haughtiness and ego that "I am the only person who knows everything, who is skilled in everything, who is a sage, and who has prospects for the future" can be seen through the words.

Regarding construction of superb modern buildings, it is allegedly criticized that the wise and reasonable should not build them; good government means the one which can utilize the funds for welfare of the citizens; the wealth of a country has nothing to do with superb modern buildings.

In the country nowadays, the Tooth Relic Pagodas are being built lavishly in Yangon [Rangoon] and

Mandalay with public donations. Big hotels, however, are being established with millions of investment by foreign companies. The government, on its part, is undertaking construction of the institutions of higher learning, hospitals, markets, bridges and dams.

How is it? Can it be assumed that the criticizing of every endeavour for all-round national development with pessimistic outlook in an air of a sage is rather like an act of one who breaks the drum as he cannot get the leading role in the performance? It is necessary that one should lower ego. It is not clear whether it is accepted that one will be popular if he dares to criticize and confront. Today's public is vigilant. They can differentiate the bright and dark sides as they see who is striving to build the nation to become peaceful, developed and modern and who is throwing sand at the meat he cannot eat.

In the Motion Pictures Diamond Jubilee celebrations which have ended recently, there were exhibitions, competitions and research paper reading session and a market festival. To hold the National Day exhibition more lively, it was permitted to open commodity and personal goods shops. It is also learnt that the Book Fair will be held in honour of the Sarsodaw [Literary] Day. Announcements are made to open various bookshops and sell at discount rates to be able to hold the fair on a grand scale. While I rejoice at the news as it will be a good opportunity for libraries, book clubs and literary enthusiasts, that pessimists' group instigated and criticized that the essence for observance of historic days becomes faint as priority is being given for festivities and fairs and that holding of market fairs is not appropriate.

It should be asked if it was appropriate to collaborate with unlawful, outlawed organizations in observing a historic, significant day.

At the talks where everything was viewed and criticized with pessimisms they not only touched the topics in focus but also threw innuendoes at the Union Solidarity and Development Association, which is going ahead with noble aims, as they dared not explicitly criticize it. The issue began with an unfounded letter which alleged that this or that person, on his visit to the Immigration and Manpower Department, was told that National Registration Card was issued only to the members of the Union Solidarity and Development Association. Concerning the letter, a person at the talks, assuming an air of a wise man, remarked, "Is there any law for the department's refusal? If so, ask the department for a letter confirming that there is a related law." I would like to remind as a third person that an attitude bearing grudge against and willingness to criticize the Union Solidarity and Development Association should be changed.

There is one more point I have noticed which fanned the flames at both sides. It was a remark which said the International Red Cross delegation's return was deplorable and shameful for Myanmar [Burma]. Actually, the delegation left as its demand for inspection as it liked at any time of all the prisons in Myanmar had been rejected by the government which assumed that it encroached on the government's sovereign rights. They returned as their demand was not met. Here in this case, instead of sharing a feeling of resentment with the government, they said in consideration of the other side, "It is shameful!" What I want to ask is, "Why are you feeling so ashamed of yourself?" I would like to say, "It would not have come to this situation if there had been a sense of shame."

The saying "The small barking deer has fallen prey to the tiger because it could not understand the time and situation" should be noted.

What is the most important thing today? It is stability of the State and community peace and tranquillity. Only when there is stability and peace in the nation will there be security. Only when there is security, will economic and social life be structured. Only when everything is well and firmly structured will there be political functions. The nation is just reeling from the recent past which should not be raked up.

It is easy to burn but hard to put out.

It will be beneficial if people invited to a gathering on the road conduct talks seriously, explicitly and constructively. Acts such as instigation, flattery and agitation and also viewing a matter one sidedly, finding fault with it and making a mountain out of a molehill to instigate the public must be avoided. Although they claim, "We desire unity and reconciliation" on the one hand, they say, "Have courage, don't bear it!" on the other. Their words are inconsistent. It is like trying to pull a cover up on something but part of it is left exposed.

The other day, a grandchild of mine came home in a sullen mood. When my wife asked him tete-a-tete, he answered that he had come back from watching a final football match between the Myanmar selected team and the Bangladesh team; that he betted on Myanmar team feeling sure that it would also win that match as it had defeated another team 4-0 just a few days before; and that he eventually lost the bet, suffering a great loss.

When I learnt of that, I called my grandchild and advised him seriously, "My grandson, you still need to know a lot about what is what. It is wrong to reckon definitely that Myanmar team has won this match and it will also win another. Loss or win depends on changes in situation. You fixed your mind on a win and heaped money on betting. Now you lost the bet. So, don't be haughty and forget your origins. It is needed for you to be adaptable to changing situations and be wise in your words and deeds."

Khun Sa on Conditions for Talks With SLORC

BK2211152495 Bangkok PHUCHATKAN in Thai 22 Nov 95 p 5

[Report by Indochina/Regional Center]

[FBIS Translated Text] Mae Hong Son — Chao Khwan Muang, first secretary of the Shan State Restoration Council (SSRC), told PHUCHATKAN that the pressure exerted by different democratic groups in Burma following the release of Aung San Suu Kyi will force SLORC [State Law and Order Restoration Council] to hold peace talks with MTA (Mong Tai Army).

Regarding this, the MTA sent a letter to SLORC Chairman Than Shwe on 12 September. So far, the Burmese Government has not yet responded or shown any reaction to the proposals set forth by the MTA.

He said: "I think there is a 50 percent possibility for holding peace talks some time early next year, not this year because there is a difference of opinions within the SLORC itself."

As a condition for peace negotiations, the letter Khun Sa sent to the SLORC chairman stressed the principle of the agreement signed between former leaders of the Shan State and the late Aung San at Panglong in 1947 which stipulated that the Shan State must be independent from Burma.

The MTA has selected Lieutenant Colonel Kan Yot to lead its delegation to the peace negotiations with the Burmese side. Lt Col Kan Yot was formerly reported to have led a number of MTA mutinous soldiers in defecting to the Burmese Government.

Chao Khwan Muang disclosed that Chao Kan Chet, president of the Shan State National Council, met with Lt Col Kan Yot and Major General Po Te Wing, also a leader of the mutinous soldiers, at a place outside Lashio township and explained to them the real situation and the scheme to sow discord among the MTA soldiers employed by the Burmese side. The defiant soldiers later decided to return to the MTA.

He said that the Shan State and MTA will not join the struggle for democracy under the leadership of Aung San Suu Kyi because their true objective is national independence, not democracy for Burma.

However, the Shan State is not quite well united in its struggle against the Burmese Government as Tun U, leader of the Shan Nationalities League for Democracy (SNLD), has been participating in the drafting of a constitution in Rangoon since 1993.

Sang Yo, an official of the MTA's foreign affairs section, said that the MTA recognizes Tun U as the legitimate representative of the Shan State because he was elected by the Shan people, adding that the SNLD works in the political arena while the MTA is active in the military field. The two organizations are like two arms of the Shan States.

Chao Khwan Muang also revealed that after the ceasefire negotiations, the two sides will recommend discussing the problem of narcotics suppression which is a policy of the Shan State.

A source in the MTA told PRACHATKAN that narcotics production generates 60 percent of the MTA's revenue while the other 40 percent comes from tax money collected from gem and cattle trade, and the logging business.

Khun Sa Interviewed on Retirement 22 Nov

BK2411095595 Bangkok BANGKOK POST in English 24 Nov 95 p 5

["Excerpts" of interview with Khun Sa by correspondents Subin Khuenkaeo and Nutsara Sawatsawang at the Hmong headquarters on 22 November]

[FBIS Transcribed Text] Q [Question]: You are sure you will retire?

A [Answer]: Yes.

Q: How would you describe the current state of your life, your work and the Mong Tai Army?

A: Nothing much. Everything is all right. But after the Burmese Communist Party joined the SLORC [State Law and Order Restoration Council], together with nine other groups, the Hmong, Bo Mya (Karens) and the Wa have followed suit.

Q: Will you also?

A: After (former close aide) Gun Yod toppled me, he defected to the SLORC. I suspect that the SLORC will take him in. The SLORC has said many times that they do not want the Shan people that they should be shot.

Q: Do you mean that the SLORC will not negotiate with you?

A: Yes.

Q: Until now, do you think that your struggle for self-determination for the Shan state has succeeded?

A: After Gun Yod defected, he accused me of being Chinese and not a Shan. I don't want to take part in the liberation movement any more.

Q: Do you feel sorry, betrayed? Have you ever been more hurt before?

A: There is always a time for this kind of struggle. I believe in Buddhist teachings, that everything has its own time. Now I'm asking for time of my own. It cuts like a knife to be branded a Chinese when I have been involved in the struggle for independence for decades.

Yes, Gun Yod has betrayed me. I did not respond. I only reacted by stopping all activities, including golf, tennis, badminton. I'm old now. Gun Yod defected because he thought he had an opportunity to strike a deal with the SLORC and that they would give him money, but so far they have not and they also have not recognised him.

Q: Do you think there is anyone behind Gun Yod who may be more powerful?

A: Yes, but he is not living in Shan State, in the US or Switzerland.

Q: It is not the first time that one of your followers defected. What is it about Gun Yod's defection that made you decide to step down?

A: It is true that I decided to retire after Gun Yod defected. In fact, I am a Shan, just like prime ministers Banhan, Chatchai and Chuan are Thais. But the people think that I am Chinese. I feel hurt and disappointed.

Q: Why don't you do something to change this image?

A: People here are not like in Thailand, they are not sophisticated, they believe whatever Gun Yod tells them.

Q: Is Gun Yod that influential? Have many soldiers defected with him?

A: Nearly 6,000 soldiers defected. About 1,000 went with Gun Yod, 2,000 with the Shan State Army and over 2,000 with the Wa.

Q: Do you think that there will be a change in administration after the departure of Gun Yod and the setting up of the Central Executive Committee [CEC]?

A: I told them that if they don't want me, I will surrender all authority to them, but no one has offered to take over. I have said before that if one day I can no longer lead, I will surrender all to the people and the Buddhist monks.

Q: Who would you suggest succeed you?

A: I have said already that if don't or can't continue the struggle, for health or other reasons, I will surrender all power to the the people and the Buddhist monks... Actually, they have already picked my successors: Gun Jade, Cham Mai, Kwan Muang, eleven of them all together (CEC members).

Q: Does your stepping down has anything to do with the formation of the Central Executive Committee?

A: The CEC has agreed to pursue the struggle, but it is little known to the people and I guess it does not have many resources.

Q: If the new leaders ask you to get involved again, will you? Officially or unofficially?

A: I gave up. I will not do anything anymore about the struggle. I won't get involved ever again until the day I die. Even unofficially, I won't help.

Q: How long do you think it will take for the leadership question in the Shan State to be settled.

A: Five to ten months.

Q: How long have you fought in the struggle for independence?

A: Since fighting the enemy — Division 93 and 34 (of the Chinese nationalist army). If not for me, these (Chinese) soldiers could still be in the Shan State.

Q: What kind of life will you lead after stepping down? You have said that you wanted to live a peaceful life? Where?

A: I want to live on my own, and make a living on my own. I want to farm, grow trees and raise cattle. Whether it is here, I will have to see, I'm not sure. If the Thai government will allow, I want to live in Thailand. Thai and Shan people share the same religion and similar lifestyles and languages, therefore it's better to live in Thailand.

Q: If the Thai government does not allow you to stay and the SLORC attacks you, where do you think you could go?

A: I will probably do like Pong Jaizeng (of the Kokang group, which traded in narcotics before he did). He has found a way to make a living. I have been involved in the suppression of narcotics since 1973 and I have only collected tax to feed my subordinates.

Q: Will you still collect tax after you retire?

A: It's up to the people who will take over from me.

Q: Do you think that the trade in narcotics will drop after you step down?

A: Opium is produced by the local people here. Everyone is involved in the trade on a daily basis. If not they would starve. Burmese money has no value. Rice costs about 400-600 baht per kilogramme, while people make only 200 per day. They can't even afford rice.

Q: Do you mean that after you step down, the drug problem will remain?

A: Yes.

Q: Will this then prove that with or without Khun Sa there will be drug trafficking in the Shan State?

A: There are many groups in the Shan State fighting for liberation from Rangoon. Opium production will continue with or without me. I was told that at Nam Yai and Sam Sao, for the past four to five years, people have been making good money from both opium and amphetamines.

Q: Are you worried about the US threat to arrest you, like they did Colombian drug dealer Pablo Escobar?

A: They wouldn't dare. I still have many supporters, the terrain here is mountains and forests.

Brunei, Malaysia & Singapore

Malaysia

Belgium Urged To Counter 'Negative Campaigns'

BK2411160095 Kuala Lumpur NEW STRAITS TIMES in English 22 Nov 95 pp 1, 2

[Report by Baidura Ahmad]

[FBIS Transcribed Text] Kuala Lumpur, Tues — Malaysia has asked Belgium to aggressively counter any negative campaigns including the anti-tropical timber campaign that could affect the bilateral trade between the two nations.

In making this call today Deputy Prime Minister Datuk Sri Anwar Ibrahim said such smear campaigns could be effectively addressed through better understanding as well as greater political and economic relations.

Efforts by Belgium to quash such campaigns would be vital to the two countries in anticipation of a greater scope for bilateral relations under World Trade Organisation (WTO) system.

Being the country that houses the European Union headquarters, Belgium plays a strategic role in promoting better awareness of Asean, particularly Malaysia, among European nations.

Belgium, which is one of the three traditional export markets for Malaysian timber, has frequently been targeted by European environmentalists and non-governmental organisations as it continues to buy tropical timber and its by-products.

Anwar said Belgium and Malaysia shared a common view, particularly concerning the need to ensure a sustainable growth for all countries.

"Under the more liberalised trading system of the WTO, the scope for greater economic relations between the two nations is tremendous," he said at a luncheon he hosted for the visiting Belgian economic mission, headed by Prince Philippe here today.

Anwar said the interest shown by Belgian investors in the Malaysian business scene is encouraging, and they should now look into a synergistic extension into neighbouring countries in the region by using Malaysia as the gateway.

He added that Belgium should take advantage of Malaysia's aggressive marketing strategies and cordial relationship with its neighbours.

In 1994, Malaysia exported RM [Malaysian ringgit] 1.96 billion worth of goods, including telecommunication equipment, to Belgium, while imports were about RM1 billion comprising non-metallic minerals and machinery.

Earlier, replying to a query from a Belgian delegate during a working session, Anwar said foreign exchange fluctuation was also a matter of concern to Malaysia.

"Discussions are on-going on this matter even in Apec (Asia- Pacific Economic Cooperation). For instance, the Apec Finance Ministers will meet next month in Japan to discuss this.

"The major area of deliberation would be to get a clear understanding of the situation. We have somewhat agreed that more countries must participate..."

Anwar added that the Apec Finance Ministers hoped to come out with an arrangement that could assist countries facing financial crises to avoid a repeat of the Mexican currency turmoil which occurred in December last year.

"We have not actually entered any concrete agreement but we have established a mechanism to try and get some form of understanding. Within Asean, this has been in an advanced stage of discussions," he added.

Prior to the working session, Malaysia and Belgium signed a protocol amending the agreement for the avoidance of double taxation and the prevention of fiscal evasion.

The signatories to the protocol were Anwar and Belgian Deputy Prime Minister and Minister of Finance and Foreign Trade, Philippe Maystadt.

The protocol will amend some of the provisions in the existing double taxation agreement which was signed in 1973, to be consistent with the prevailing tax legislations in both countries.

Both countries expressed confidence that mutual cooperation and bilateral relations would be further strengthened with the signing.

Potential Business Tie-Ups With Belgium Viewed

BK2211140095 Kuala Lumpur Voice of Malaysia in English 0810 GMT 22 Nov 95

[Station Commentary]

[FBIS Transcribed Text] The visit of Belgium's Prince Philippe to Malaysia currently is without doubt the most important event in the evolution of ties between the two countries. For the 100-member strong business delegation, it is clear that the heir to the Belgian throne has come to do business.

Belgium is a member of the European Union. It has a successful high-technology oriented economy and is well positioned in Europe. Malaysia is a member of ASEAN and is one of the fastest growing economies in the world. It is also well positioned in the dynamic East Asian region. Given this attribute, surely there is abundant opportunities for mutual benefit. Malaysia and Belgium can effectively complement each other's efforts to develop their economic links between the two regions.

Among the areas which have considerable potentials are Belgian high-technology based industries. These companies should explore investment possibilities in Malaysia, especially in high-technology areas. Malaysia is an attractive investment destination which can facilitate Belgian firms to manufacture technological products more competitively. These products will not only be cheaper but Belgium can find new markets in this region using Malaysia as the springboard, thus killing two birds with one stone.

Given Belgium's better developed economy, Malaysian firms, especiall small and medium-scaled industries, stand to gain through mutually beneficial joint ventures. Beside this, the two countries can also collaborate in exploring third countries both in exporting goods as well as joint venture investments.

Whatever it is, Prince Philippe's visit is surely destined to mark a new era in bilateral relations between Malaysia and Belgium. Included in the Belgian mission is a delegation from Antwerp, the gateway to Europe. Numerous manufacturers have set up distribution centers at the port city. There is no reason why Malaysian exporters should not locate themselves here to take advantage of its good infrastructure facilities and extend links to other points in Europe. Antwerp is the second business port in Europe and handles about 110 million tons of cargo last year. As such, Belgian companies can look to transfer of technology in port infrastucture to Malaysia.

Malaysia itself is keen to further develop its ports to be among the best in the Asia-Pacific region. Belgium can also play a vital role as a member of the EU in assuring that the common market does not discriminate against developing countries.

Several Malaysian products such as tropical timber, still has to face up to unfair trading practices. This is wrong and goes against the principals of free trade subscribed to under the World Trade Organization, WTO, which has its headquarters in Brussels. It is important therefore for Belgium to work hand in hand with Malaysia in enhancing two-way ties, as well as in ensuring a fair global trading environment.

Aerospace Accord Signed With Russian Consortium

BK2311074895 Kuala Lumpur THE STAR in English 23 Nov 95

[Unattributed report — received via Internet]

[FBIS Transcribed Text] Kuala Lumpur — The signing of a memorandum of understanding between Sumur City Aerospace Adventure Sdn Bhd [company limited] and a Russian consortium yesterday might be the start of lucrative joint ventures in Malaysia's aerospace industry.

Under the agreement, the consortium comprising Lavochkin Scientific and Production Association, NPO Machinostroyenia, the Russian Space Agency and the Military Space Forces, would jointly develop the educational and commercial potentials of the Russian aerospace industry in Malaysia and the Asia-Pacific region.

Lavochkin director general Anatoliy M. Baklunov said the consortium would adopt a programme encompassing the education and training of Malaysians in aerospace science and technology, joint development of scientific payloads to be launched on Russian spacecraft, and research and manufacturing activities.

He said among the projects identified were those for the development of satellites for the purposes of navigation, remote sensing and telecommunication and setting up of manufacturing facilities in space.

"Our surveys show the remote sensor programmes have very large potential and the demand for the projects are expected to grow in the future," he said.

The NPO Machinostreyenia revealed that the current demand for remote sensing services in Asia-Pacific was estimated at U.S.$50 million (RM [Malaysian ringgit] 128 million) a year, and it was expected to double by 2000, he added.

"The next stage is the manufacturing of biologically pure chemicals in space. One of our programmes involves the manufacturing of a super pure chemical used in the production of Interferon, which is a medicine for hepatitis," he said.

He added 20 grammes of the chemical could be converted into 20 million doses of the medicine and each dose was worth about U.S.$20 (RM51).

He said he was aware Malaysia had started its telecommunication space system and it was timely for such ventures as the gradual advancing of the country was dependent on the space industry.

"As Malaysia's satellites are manufactured by other countries, we feel the situation has made the nation dependent on the manufacturers," he added.

Lavochkin, which began as an aviation company in 1937, currently manufactures satellites used in planetary exploration while NPO Machinostryenia developed the first generation space station and is now responsible for the ALMAZ remote sensing satellites.

The Russian Space Agency is a co-ordinating body for the non- military space programme in Russia and the Military Space Forces is responsible for the launching of spacecraft.

Sumur City was represented by Sumurwang group chief executive Lim Kim Hong.

Mahathir Says Transfer of Power 'Matter of Time'

BK2411143595 Kuala Lumpur RTM Television Network 1 in Malay 1200 GMT 24 Nov 95

[Report by Sayuti Mokhtar — italicized passages in English]

[FBIS Translated Excerpt] Thank you and peace be upon you!

UMNO [United Malays National Organization] President Datuk Sri Dr. Mahathir Mohamed hopes that his statement will wipe out the prejudice against himself and [UMNO Deputy President] Datuk Sri Anwar Ibrahim. Datuk Sri Dr. Mahathir even described his relationship with Datuk Sri Anwar as good. Dr. Mahathir said that the transfer of the UMNO leadership is only a matter of time.

[Begin Mahathir recording, in progress]...because some people have deliberately created doubt and prejudice among party leaders. With the statement, there are no reasons to have this prejudice.

I have good relations with my deputy. We meet almost every day. Every morning, he tells me what he is doing and asks for my advice, and, sometimes, I ask for his advice. We get on very well together, but people who are outside, who do not know, make this kind of rumors, and taking pictures of me facing the other way [words indistinct] of dirty tricks they should not resort. [sentence as heard] [end recording]

The prime minister and UMNO president wants the transfer of the party leadership not to bring disaster to or to split the party. He intends to hand over a strong, united, and prestigious party to his successor. Datuk Sri Dr. Mahathir Mohamed said this in his speech as UMNO president at the UMNO General Assembly at the Merdeka Hall of the Putera World Trade Center in Kuala Lumpur.

[Begin recording] [Unindentified reporter] Dr. Mahathir spent an hour and fifteen minutes reading the text of his 45-page speech entitled "Don't Forget Yout Identity."

[Mahathir, in progress] [applause] Let me express my intention here to see that the upcoming transfer of power will not bring any disaster to the party. [applause]

I intend to hand over a strong, united, and prestigious party to my successor. [applause]

In UMNO, a deputy president traditionally replaces a president. [applause]

Party members, in particular, should not try to create prejudice between the president and his deputy. [applause]

Let other people, foreigners, and enemies of UMNO and the nation perpetrate this infamous act. They want to weaken and split UMNO, hoping that if there is a transfer of leadership, the new president will obtain only half the party votes — those from his supporters only. Supporters of the outgoing president will be dissatisfied and will quit the party. They may oppose the party. That will, of course, weaken the party.

Let me hope that there will be no conflict when the transfer of leadership comes. [applause]

The new president will inherit an intact, orderly, and safe UMNO. [applause]

Yesterday, the deputy president himself promised not to challenge me. [applause]

He even expressed support for me as president. [applause]

Thanks, God. I am moved by the stance of UMNO members and leaders, particularly the UMNO deputy president. I are very thankful to them.

I hope that foreigners will no longer try to undermine UMNO's stability. [applause] I hope that they will no longer try to undermine the stability of UMNO and Malaysia by manipulating this issue. [applause] [end recording] [passage omitted]

Mahathir Plan for Passing of Leadership Hailed

BK2811042195 Kuala Lumpur THE STAR in English 28 Nov 95

["Comment" column by V.K. Chin: "Paving the Way for Smooth Takeover When the Time Comes" — received via Internet]

[FBIS Transcribed Text] UMNO'S [United Malays National Organization's] election may be a year away but the party leadership is already trying to lay down the ground rules and to condition the members so that things will return to normal as quickly as possible after the contest.

The 1,800 delegates which attended last weekend's general assembly had unanimously decided that Datuk Sri Dr Mahathir Mohamed and Datuk Sri Anwar Ibrahim would remain as president and deputy president respectively until 1999.

This is a contest which can really threaten party unity if it is allowed to take place as was shown in the 1987 challenge.

The party can rest easy now that the delegates had voted for continuity.

Dr Mahathir told the delegates that he would like to hand over a strong and united party to his successor so that the new leader would have the full backing to carry on.

It would be extremely unfair to hand over a divided party to a new leader who has to grapple with the many problems left behind by his predecessor.

This happens quite often in other parties where the incumbents on leaving office just do not care any more what happens after their departure.

In fact some selfish leaders will purposely leave things in a mess so that they would look good and their successors would appear to be incompetent and incapable of running the party.

Umno is one party where the transition can be smooth and done with the minimum trouble.

The person becoming the new president would get the support as members tend to close ranks.

If there should be any objection it would usually be in the appointment of the deputy prime minister.

This was clearly seen when the late Tun Hussein Onn took over as PM [prime minister] on Tun Abdul Razak's death in 1976.

Though there was no opposition to his becoming the PM and president, there was very intense lobbying before the deputy PM, which happened to be Dr Mahathir, was appointed.

When Dr Mahathir became PM in 1981 on Tun Hussein's retirement, Datuk, now Tan Sri, Musa Hitam was appointed the deputy PM.

Another contender, Tengku Razaleigh Hamzah, had other ideas and decided to make a bid for the vacant No 2 party post.

It has always been Umno's tradition that the deputy president is also automatically the deputy PM.

This policy has been continued until today even though there is nothing in writing to this effect.

Tengku Razaleigh was unsuccessful in his attempt but he tried again three years later but the post still eluded him.

His bid for the deputy position and his challenge against Dr Mahathir for the presidency in 1987, had split Umno right down the middle.

As a student of history, Dr Mahathir would not like this to happen to the party or to his deputy when the handover takes place.

There is no sign when this will be yet but Anwar is on course to take over when the time comes.

It is the duty of a responsible leader to hand over a sound organisation to his successor.

Otherwise, a great disservice will be done to the party if the changeover should be followed by an intense struggle for power.

Though he is 70, Dr Mahathir still has a lot of energy and ideas on how to make Malaysia achieve developed status in 25 years' time.

His contributions are generally acknowledged by both Malaysians and foreigners.

A leader of his calibre and commitment does not come along very often and we should make use of his talent for as long as he is willing and able to carry on.

Mahathir Views Attempts 'To Destabilize' Economy

BK2711035395 Kuala Lumpur SUNDAY STAR in English 26 Nov 95

[Unattributed report — received via Internet]

[FBIS Transcribed Text] The mandate given by the UMNO [United Malays National Organization] general assembly not to have a contest for the top two posts until 1999 is to counter attempts to destabilise the Malaysian economy and political situation, Datuk Sri Dr Mahathir Mohamed said.

The Prime Minister said reports on the purported rift (between the top two leaders) had affected the country's economy.

"Some people have painted an artificial scenario by saying that Malaysia is not stable to discourage investors from expanding their business here.

"They predicted that Malaysia will face problems and later created stories of the purported rift to justify their pre-conceived ideas," he told a press conference at the end of the second day of the three-day UMNO assembly.

Dr Mahathir said their intention was to create uncertainty among the business circle and once Malaysia suffered economically, their claims of Malaysia becoming like Mexico would be justified. These attempts, he said, were done out of envy.

"These people do not like to see a nation like Malaysia progress and perform better than their own nations.

"They will talk to the 'right person' to ensure that they get the answers which suit their storyline.

"For example, if they want somebody to say that the Malaysian economy is bad, they will go to Tengku Razaleigh (Hamzah, the Parti Melayu Semangat 46 [Spirit of 46 Party] president)," he said.

Dr Mahathir said that if they had gone to Tengku Razaleigh when he was the Finance Minister and asked the question, he would surely have said that the country's economy was doing very well. He said the foreign media was responsible for painting such a gloomy picture but it was pointless to talk to them as they would never listen.

On the possibility of certain divisions not adhering to the mandate, Dr Mahathir said it was up to the members to commit themselves to the resolution.

He said there was no need to carry the matter further because it could be misconstrued that the leadership was not practising democracy.

"Our aim is to ensure that there is no unhealthy politicking where members would instigate others for their own interests," he added. Both he and Anwar thanked members for the resolution.

On claims by speakers that many corporate figures did not contribute towards UMNO and Malays despite being helped by the party, Dr Mahathir said some of these personalities preferred to keep a low profile.

He cited a case where a businessman had set up a school and provided scholarships without being asked to. "No one knows about this as he did not call a press conference," he said.

UMNO 'No-Contest' Resolution for Posts Noted

BK2711130795 Kuala Lumpur THE STAR in English 27 Nov 95

["Comment" column by V.K. Chin: "Move That Ensures Unity and Cohesion" — received via Internet]

[FBIS Transcribed Text] The most significant outcome of the weekend's Umno [United Malays National Organization] general assembly is undoubtedly the decision to retain the status quo for the two top positions in the party.

At the Saturday's session, the 1,800 delegates decided unanimously that Datuk Sri Dr. Mahathir Mohamed and Datuk Sri Anwar Ibrahim should be returned unopposed as president and deputy president respectively in next year's party election.

Such a move will have a far-reaching impact on the party and will go a long way towards ensuring Umno's continued unity and cohesion. Those who wish to see instability in the party will have less ammunition to drive a wedge between these two leaders.

The recommendation to maintain the status quo has been made to prevent any split in the party which will certainly come about if there should be a contest between the leaders.

The decision will bury the issue at least for the next four years. Those wishing to create problems will have one less subject to exploit. The delegates' action has shown that they are concerned by all the speculation about the so-called rift at the top. The support of the resolution should put paid to such rumours. The assembly's endorsement comes in the wake of Anwar's declaration at the Umno Youth meeting on Thursday that he had no intention of challenging Dr. Mahathir for the president's post.

He called on the divisions not to nominate him for president next year.

This was followed the next day by Dr. Mahathir's statement at a press conference that he had close ties with his deputy and that they had been meeting or speaking to each other on a daily basis.

The delegates had obviously been aware of what could happen if there should be a leadership contest. The 1987 incident is still very fresh in their minds as the contest that year had not only led to a split in the party but its de-registration as well.

It was a humiliating experience for the members and it took many months of careful and painstaking reorganisation before the party could be restored to its former glory.

But the scar will always remain and there is little doubt that the party cannot afford another such political punch-up. The no-contest decision may sound strange to Western ears, but this is the consensual way of doing things in Malaysia, if not Asia.

However, it is unlikely to be the end of the matter where the foreign media is concerned. Do not be surprised if their correspondents will keep harping on the issue or to find new ones to cast doubts on Malaysia's economic achievements and political stability.

It is unlikely that the owners and shareholders of these foreign media want to see the country go under as such. They just do not want any developing country doing better than the developed ones economically.

They have a special interest in Malaysia because its leaders are more outspoken than others. Dr. Mahathir, for example, will not hesitate to criticise the developed world for its hypocrisy and double standard over democracy, human rights and the environment, to name just a few.

Singapore

German Businessmen Urged To Relocate to Asia

BK2211134095 Singapore THE STRAITS TIMES in English 21 Nov p 17

[Unattributed report]

[FBIS Transcribed Text] Singapore and Germany share many similar challenges such as high wage and currency growth and fierce competition, and greater access to Asia's emerging markets can be a solution for both countries, said Acting Prime Minister Lee Hsien Loong.

"Germany should not pass up the opportunity to play a significant role in the Asia Pacific, and Singapore is one convenient gateway," he told a top-level delegation of German businessmen at a luncheon meeting yesterday.

Singapore offers a multilingual, multicultural workforce familiar with the region and with many years' experience of working with multinational corporations [MNC's], as well as excellent political relations with regional countries, Brigadier General [BG] Lee said.

The Republic is also developing industrial parks in the region such as the Suzhou Industrial Park, in which two German MNCs, Siemens and Daimler Benz, have already committed investments.

BG Lee said he hoped that many more German companies will follow their lead. He encouraged them to locate here and form partnerships with Singapore companies to do business in the region.

"But whether or not you choose to use Singapore, I hope you will maintain and expand your interests in the region, and thus both promote and benefit Asia's progress."

The 100-odd group of business leaders, who are here with German Chancellor Helmut Kohl, later proceeded to a closed-door discussion with the Economic Development Board (EDB) on Singapore's economic plans and regionalisation thrust.

Germany's top corporations such as German Telekom, Siemens, Bertelsmann, Hoechst and Quelle are among those represented in the delegation.

EDB chairman and the host of yesterday's lunch Philip Yeo warmly welcomed German investments and partnership in the Republic's regional thrust.

"My board will continue to ensure support for high-skilled and high value-added manufacturing and service activities and we are also prepared to co-invest in key projects," he said.

The EDB, Sembawang' Group and Daimler Benz have already formed a US$70 million [Singapore dollar] (S$99 million) joint venture to build Mercedes Benz cars, small buses and light trucks in Vietnam.

Germany is Singapore's fifth largest foreign manufacturing investor, with cumulative investments of nearly S$800 million. It is also Singapore's largest trading partner in the European Union, with total bilateral trade of S$10 billion last year.

Kohl Supports Asia-Europe Summit, Ends Visit

BK2411024595 Singapore THE STRAITS TIMES in English 22 Nov 95 p 1

[Report by Felix Soh]

[FBIS Transcribed Text] Germany has expressed strong support for the Asia-Europe summit, saying that it is a very important step in enhancing economic cooperation between the two regions.

Visiting German Chancellor Helmut Kohl said yesterday that the summit, to be held in Bangkok in March next year, would be rated a success if both sides demonstrated they were true champions of free global trade.

Speaking after an hour of talks in the morning with Prime Minister Goh Chok Tong and officials from both countries, he said: "I would consider the summit to be a successful and good meeting if there is a clear statement by the Europeans that they do not want to establish a Fortress Europe."

"This in the sense that they do not want to isolate or shut themselves off from the rest of the world both politically and economically."

Asian countries should also do the same, he said.

The German Chancellor and his delegation of 130 ministers officials and German business chiefs were rounding off a 10-day Asian tour of China, Vietnam and Singapore. They left for home after a luncheon reception at Suntec City which was also attended by Mr. Goh.

During his three-day visit, Dr. Kohl and his delegation members held talks with Singapore leaders and officials, including Senior Minister Lee Kuan Yew.

One of the issues discussed was the inaugural Asia-Europe summit, which will be attended by 15 European and 10 Asian leaders from the seven ASEAN countries, China, Japan and South Korea.

The idea of a summit meeting to act as a bridge and establish links at the highest level between Asia and Europe was proposed by Mr. Goh last year.

The prime minister said on Monday at a dinner he hosted for Dr. Kohl that the peoples of Asia and Europe would benefit greatly if their leaders could spark off a new era of closer cooperation at the historic summit.

At a brief interview in a palm-fringed courtyard at the Raffles Hotel after their talks, Mr. Goh said: "We discussed the forthcoming Asia-Europe meeting and exchanged ideas on how we can make the meeting a success." He added that he and the German leader discussed bilateral cooperation, in particular, on how the two countries could get their small and medium-sized enterprises to work together in the fast-growing region of Asia.

The chancellor also asked for Mr. Goh's impressions of the just- concluded Asia-Pacific Economic Forum in Osaka which he had attended.

Later, at a press conference in the Oriental Hotel, Dr. Kohl elaborated on his views of the summit which he described as "a very important further step in enhancing cooperation between the European Union and Asia."

Speaking in German, he said that in his discussions with Mr. Goh on the format of the meeting, the prime minister had suggested that it should be kept informal and as free as possible from any rules of protocol in order to bring about tangible results. The delegations should also be small.

He added that the participating countries should engage in "very frank and very open talks."

Dr. Kohl emphasised that the summit would be a meeting of equals. "For us Europeans, it might be beneficial if we understand that we are meeting representatives of highly-civilised countries and that no one in Europe has reason to be condescending," he commented.

He said: "Now the Asian countries are competitors in Germany, and as I said, we would like to be your competitors here, we would like to be equal with you.

"If we are able to do that, then we would have achieved quite a lot."

Article Views Emergence of New Indonesian Groups

BK2711132695 Singapore THE SUNDAY TIMES in English 19 Nov 95 p 8

[Article by Jakarta correspondent Paul Jacob]

[FBIS Transcribed Text] The Indonesian Association of Muslim Professionals (ICMI) heads for its leadership congress next month — its first since the organisation was set up five years ago under the chairmanship of Research and Technology Minister B.J. Habibie.

But in the run-up to the meeting, the association is being buffeted by accusations about its over-arching reach within the government, and its play on religious sentiment to strengthen its influence.

The more specific target is the energetic and effervescent Dr Habibie, dubbed the "super minister" because of his forays into portfolios as diverse as defence, foreign affairs, finance and communications.

He also enjoys a close relationship with President Suharto which, according to some people in Jakarta, gives him the clout to act as the most powerful minister in the nation.

One significant action of growing resistance to the influence of Dr Habibie and his group is the recent emergence of three new organisations - the Nationalist Foundation for Brotherhood and Harmony (YKPK), the Indonesian National Unity (PNI) forum and the Association of Intellectuals for Pancasila Development (PCPP).

All profess to promote unity and strengthen national awareness and, indirectly, reinforce the notion that although Indonesia is a Muslim-majority country, it must continue to hold strongly to its secular outlook.

Their emergence represents an indirect charge that ICMI and its proponents could — after the 1997 general election and the presidential poll a year later — take Indonesia down the road to sectarianism and into areas of economic endeavour out of step with the country's more pressing needs.

That such groups have emerged barely two years ahead of the next general election also points to the concern of some segments of society that they no longer have appropriate channels to convey their aspirations to the decision-makers.

Establishing broad-based coalitions is thus seen as a way to advance and promote their ideas in the public domain.

But there is another view that such groups are no more than a collection of has-beens. While such a view may be partly correct, some observers point to other developments that bear watching.

Former home affairs minister Rudini, a retired four-star general who now heads his own think-tank, points to a "sense of restlessness" in society.

The success of the government's development efforts and the increasing political consciousness have made "the common people quicker to express themselves ... to seek justice and to consider political parties as less able to fully channel their aspirations," he said.

His remarks echoed those of the Speaker of Parliament, Mr Wahono, who warned that the favouring of political and economic interests of any particular group could build up pressure for "an alternative political system".

Political commentator Daniel Dhakidae traces the emergence of the new organisations to the aftermath of a tactical shift by President Suharto in the early '90s to develop a new and broad base of support among the Muslim community.

Mr Suharto recognised at the time that there had been longstanding unhappiness in the Muslim community, and among intellectuals in particular, that their representation in key positions in government and the ruling Golkar [Functional Group] was not in keeping with their majority position.

ICMI's establishment in 1990 provided a means through which Muslim intellectuals' contributions could be harnessed.

Changes in Golkar's representation in Parliament in 1992 and parallel moves in 1993, after Mr Suharto's reelection, saw the departure of Christians from government and military posts.

In the economic arena, Muslim intellectuals and Dr Habibie himself provided the President with new high-technology strategies to enable Indonesia to leapfrog into the 21st century.

The effect of such developments has been to raise concern that the strength and influence of "the ICMI and Habibie types" will grow even further.

University of Indonesia political scientist Amir Santoso acknowledged that while people around Dr Habibie would seek to promote him as the next vice-president, the chances of that were not strong. He said ICMI's grassroots base was not as broad and deep as Muslim organisations' and Dr Habibie himself remained controversial with the military and international agencies like the World Bank.

Dr Amir, like Mr Adi Sasono, head of the Centre For Information And Development Studies, a Habibie-linked think-tank, also argued that ICMI's "struggle" had been to redress "an imbalance in the position of Muslims in political and economic terms".

Mr Adi, who is a member of ICMI, argued that the association had, in fact, played a key role in keeping extremist Islamic tendencies in check.

"Muslims in Indonesian society have shown themselves to be disciplined and self-restrained — particularly in the face of aggression by others," he said. "If not for the work we have done, you would have seen a strong reaction and revenge against attacks, recently for example, by Catholics in East Timor who burnt shops and mosques.

"If these new groups are genuine on the issue of promoting a national outlook, then they should be tackling such matters as well, rather than turn their attention on ICMI."

He said ICMI also engaged itself in "real work" — establishing thousands of credit unions and libraries in rural areas, and promoting the teaching of science and technology in traditional Islamic boarding schools.

He denied that ICMI engaged in active political work but said there was no denying that the association's work had "political impact'.

"If we get support from doing something for the people rather than by playing elitist politics, what is wrong with that?"

Mr Adi also said the association would have no qualms working with the new organisations in promoting a national outlook and improving the well-being of Indonesians at large — if that indeed was their goal.

Whatever their motivations, groups like YKPK seem keen to counteract what one member described as Dr Habibie's and ICMI's "runaway influence".

Former Golkar MP [member of parliament] Marzuki Darusman, now deputy chairman of the government-appointed National Human Rights Commission and a YKPK member, said: "There is no doubt ICMI and Habibie's dominance is what prompted this group to coalesce".

Mr Marzuki said there were those who were apprehensive because of perceptions that Dr Habibie was being groomed to take over from Mr Suharto and that ICMI was no more than an interest group working towards that end. '

While applauding the minister's contribution in technological competence and international reputation, he said if Dr Habibie is being promoted by people around him or by Mr Suharto as the next leader, then he will have to show the country that he has "his own political legitimacy for the job".

Of the three groups, YKPK has the greatest potential clout.

PCPP, which just concluded its inaugural congress, has yet to make an impact while the Indonesian National Unity forum was set up by mainly ageing nationalists who once served in the Indonesian National Party of the late President Sukarno.

Although YKPK has just 67 members, it has been dubbed a "rainbow coalition" because it brings together MPs from the three political parties, academics, activists, retired military officers, officials intellectuals and grassroots and religious leaders.

It is led by retired Lt Gen [Lieutenant General] Bambang Triantoro, a member of the Presidential Advisory Council. Mr Matori Abdul Jalil, former secretary-general of the Muslim-based United Development Party, is its general secretary.

Mr Matori and several YKPK members are close to Mr Abdurrahman Wahid, leader of the 30-million-strong Nahdlatul Ulama Muslim organisation.

Other members include former parliament speaker Kharis Suhud, former finance minister Frans Seda, serving members of the nationalist and Christian-based Indonesian Democratic Party, former armed forces MP Maj Gen [Major General] Samsudin, and former education ministry director Sambas Wirakusuma — the brother of Defence and Security Minister Edi Sudrajat.

Several retired military officers in YKPK were from the intelligence branch and served under former defence and security minister Benny Murdani, while a number of those from Golkar served on the party executive board alongside current Parliament Speaker Wahono.

Sources said one important backer of YKPK is retired Lt Gen Harsudiono Hartas, a member of the Presidential Advisory Council. It was he, who as armed forces socio-political affairs chief in 1993, named Gen [General] Try Sutrisno as the military's candidate for the vice presidency ahead of endorsements by the three political parties.

That move was widely seen as a manoeuvre by the then military elite in the Cabinet — which included Gen Murdani, Gen Sudrajat and Home Affairs Minister Gen Rudini — to block the possible candidacy of Dr Habibie.

Cooperation Among APEC Central Banks Hailed

BK2311092995 Singapore BUSINESS TIMES in English 23 Nov 95

[Editorial: "APEC Process Takes Off" — received via Internet]

[FBIS Transcribed Text] IT was no coincidence that just one day after the Apec [Asia-Pacific Economic Cooperation] summit in Osaka concluded, central bank governors from 10 Apec nations (Australia, China, Hong Kong, Indonesia, Japan, South Korea, Malaysia, New Zealand, the Philippines and Thailand) met in Hong Kong to examine the scope for increased cooperation among themselves.

The Hong Kong Monetary Authority used the occasion to sign bilateral repurchase agreements in US dollar government securities with Bank Indonesia, Bank Negara Malaysia, the Bank of Thailand and the Reserve Bank of Australia, and will probably sign similar agreements before long with the People's Bank of China as well as the Philippine central bank.

These seemingly arcane arrangements have a significance going well beyond Hong Kong, one which bears directly upon what has now come to be termed the "Apec" process. A number of other central banks in the Asia-Pacific region have signed or are about to sign similar agreements (according to informed sources) though the banks concerned are being coy about identifying themselves.

The key to understanding all this lies in the concern voiced by Asean and other East Asian countries in

Osaka about the problems that violent swings in their exchange rates caused by events beyond their control can have on their domestic monetary and fiscal policies. A dramatic example was the way in which international hedge funds launched ruthless speculative attacks on the Hong Kong dollar and various Asean currencies in the wake of the Mexico crisis.

Individually, most of the East Asian economies are powerless to do anything about such destabilising assaults, which can play havoc with their domestic short-term interest rate policies. Collective action would be a different story, if only there were some mechanism in place through which it could be implemented effectively.

The bond repurchase or "repo" agreements signed this week among five regional central banks represent a useful start. The banks agree to pledge their holdings of short-term US dollar securities in return for dollar liquidity from other central banks in case of urgent need. In other words, the aggregate large foreign-exchange reserves of East Asian central banks are shifted quickly to where they are most needed.

Given the size of private capital flows into East Asia and the Pacific region (approaching US$100 billion annually), it is essential for Apec central banks to have corresponding resources for dealing with the inevitable volatility implied by the large portfolio component of such flows. The IMF showed the way earlier this year by doubling the size of its own weapon for countering speculation — the General Agreement to Borrow. The Asean countries as a group have reserves totalling over US$100 billion. China and Hong Kong each have over US$50 billion and Taiwan nearer US$90 billion (though it is a moot point as to how many countries would risk offending China by signing swap agreements with Taipei). South Korea's reserves stand at around US$20 billion and those of Australia/NZ [New Zealand] around US$17 billion.

The invisible hand behind the moves in Hong Kong and elsewhere to begin combining these reserves is the Apec finance ministers' group which at its Bali meeting in April noted that "even with prudent macro-economic policies in place, individual economies can still be substantially affected by excessive volatility in the value of currencies". Look out for further developments when the ministers meet again next March in Japan.

Emergence of East Asian Economic Community Seen

BK2711035595 Singapore BUSINESS TIMES in English 24 Nov 95 p 16

["The Bottom Line" by Anthony Rowley, BUSINESS TIMES' Tokyo correspondent: "Osaka Hatches East Asian Community"]

[FBIS Transcribed Text] WHAT EMERGED from the Apec [Asia-Pacific Economic Cooperation] summit in Osaka was an East Asian Economic Community in embryo. The concept is still much longer on symbolism and hype than it is on substance, but Osaka proved that at least a "sense" of community is developing within a region long held to be too diverse to allow institutionalised economic and political cooperation.

The fact that Asia-Pacific Economic Cooperation (Apec) could now turn into something more comprehensive than that achieved by the European Community or the North Atlantic Free Trade Agreement (Nafta) is not the only irony of the situation.

A greater one is that the United States, which has godfathered Apec's most dynamic phase of cooperation, could end up marginalised within the new community. President Bill Clinton's no-show in Osaka was excused but it will not be forgotten. It gave Japan an opportunity to snatch victory from the jaws of defeat and present itself not as an obstacle to economic progress but as a trail blazer of the true path to liberalisation.

Tokyo claimed to have turned the Apec process into a uniquely Asian one that eschews legalistic Western approaches and substitutes more harmonious consensus mechanisms.

For the moment, everyone except the US believes this is the yellow brick road to follow, even if they do not know precisely where it leads or how they will get there. It is better to voyage in hope than to arrive and anyone such as the US who suggests putting mileposts along the way, as targets to mark the progress of trade and investment liberalisation, is regarded as a stranger to the "Asian way".

No one went so far as to suggest that Mr Clinton's decision to stay away might have been influenced by pique at Japan's recent success in presenting itself as a defender of Asian interests, or that Washington's interest in Apec may be waning now that it has not got all its own way. But some read US Trade Representative Mickey Kantor's suggestion in Osaka that the Asean Free Trade Area (Afta) and Nafta should begin cosying up to each other as a possible reflection of US fears that Apec may metamorphose into a kind of East Asian Community.

It is possible that the pendulum might swing back in Washington's favour, should anyone notice that the Emperor has no clothes (or at least that some of his garments look a bit thin) and that Apec itself does not know what is meant by achieving "free" trade and investment. It clearly means different things to different people and most of them are happy to fudge the issue.

Fred Bergsten, head of the Apec Eminent Persons Group, says free trade means nothing less than the complete elimination of tariff and quota obstacles to cross-border trade within Apec — and that free investment means having rules that treat foreign providers as though they were nationals of the host country. But Dr Bergsten and his team were officially declared redundant at the Osaka summit. Australian Prime Minister Paul Keating is much more ambiguous and almost outdoes Japan in putting an "Asian" interpretation on things. Free trade, he says, does not imply reducing tariff and non-tariff barriers to zero but simply to a level where no one notices their presence. Fair enough, but this does make Apec's claim to have gone well beyond the General Agreement on Tariffs and Trade Uruguay Round in this area sound rather overblown.

Apec members are supposed to come up every year with unilateral offers to further liberalise their economies, until the nebulous goal of free trade and investment is achieved. But before they put their offers on the table, they are allowed to look over each other's shoulder to make sure they are not being too generous — and to withdraw what they have put on the table if they wish. Therein lies the path to minimalism.

These offers are supposed to be "comparable" but as there is no standard format for achieving liberalisation, any attempt to see how offers stack up against one another may prove as meaningful as comparing chalk and cheese. The so-called "downpayments" made in Osaka illustrate this point. Some countries, such as Japan (wishing to appear a good example-setting host) and Indonesia (not wanting to be upstaged after launching the liberalisation drive in Bogor last year) made quite generous downpayments.

So too did China in its anxiety to secure entry to the World Trade Organisation. Others simply offered what appeared to be a reiteration or acceleration of past commitments. It is doubtful that such differential approaches can persist beyond a year or two.

All this said, it is still true that the sheer range of economic cooperation envisaged within the Osaka "Action Agenda" is impressively comprehensive and goes well beyond what any other regional economic group has so far envisaged.

Cambodia

Government Opponents Said Khmer Rouge 'Puppets'

BK2111111595 Phnom Penh National Radio of Cambodia Network in Cambodian 1300 GMT 20 Nov 95

["Political Commentary": "The Dangerous Games of the Khmer Rouge Rebels and Their Puppets"]

[FBIS Translated Text] The Kingdom of Cambodia is now over two years old. Over the past two years, both the revered king and the Royal Government [RG] have exerted all-out efforts to consolidate the independence policy, self-reliance, and neutrality. This process has been enthusiastically welcomed and highly esteemed by the national and international communities. Nevertheless, the outlawed Khmer Rouge rebels, whom the people have already thrown in the trash bin of history, have repeatedly and derogatorily shouted through their clandestine radio that RG is a puppet of Vietnam and that the government leaders are the puppets of Vietnam and of the Vietnamese puppets.

Our people are already well aware of the hypocrisy of the genocidal Polpotist clique, which, during the period of three years, eight months, and 20 days, painted the people as CIA, KGB, or this or that kind of puppet or agent with the aim of massacring them by families. Nevertheless, what appears strange is that some people who boast themselves of being the so-called top patriot and champion of democracy have turned to playing the Khmer Rouge game by blatantly urging the puppets of their clan to scream and point the finger branding, with the most indecent language, others as Vietnamese puppets, being corrupt, being disloyal to the king, and so on. With the influence of the frivolous and unsubstantiated articles published on the pages of newspapers, which are sold freely in public places, they pollute the masses by accusing all other Cambodians, aside from their associates, of betraying the nation; they decry the two prime ministers with base and nasty language that no one dares use for publications in the liberal world.

Are you aware that you are currently degrading and weakening the national force with the aim of allowing your clique to despise and break the vital strength of the Cambodian race with ease? Are you aware that this is a trap of the Khmer Rouge? Are you the Khmer Rouge puppets? If you are patriots and human rights champions, why do you need to accuse others with the most indecent and insolent language?

Our people believe that it is time for you to stop using the pretext of hating the Vietnamese in order to despise your own nation in addition to jeopardizing other Cambodians' reputation and decrying the national community and the RG leaders, who are being faced with difficulties in the process of performing their tasks.

In the past, the Khmer Rouge clique used the pretext of hating the Vietnamese to sentence millions of Cambodians to death. Now, do the Khmer Rouge game players intend to use the same pretext to continue the killing of the Cambodians?

As true believers in liberal democracy, do they dare use the democracy faithfully? They should put a halt to demagogy and the exploitation of the people but stimulate the Cambodian people's vigor and positively create genuinely national conscience, contributing to leading Cambodia toward material and intellectual progress and having sufficient energy to defend its independence and territorial integrity and normalize good relations with the neighboring countries on the basic of mutual respects?

Being inclined to preserve persistent hostility toward the Vietnamese with the intention of creating a nuisance to the administration of national affairs and accusing and killing their fellow Cambodians is the trademark of the Khmer Rouge. Those people's action, if indeed they act so, is only to show that their brand as the Khmer Rouge puppets is authentic.

Hun Sen on Preemptive Steps Against 'Terrorists'

BK2611161195 Phnom Penh National Radio of Cambodia Network in Cambodian 1300 GMT 26 Nov 95

[Address by Hun Sen, second prime minister and co-commander in chief of Khmer Royal Armed Forces addressing the closing ceremony of a bodyguard unit's training course in Kandal District, Kandal Province, on 25 November—recorded]

[FBIS Translated Excerpt] [Partly indistinct passage omitted on Hun Sen thanking the security and bodyguard units for their good work and achievements]

Providing protection for just myself is not enough. There needs to be protection for state establishments including the National Assembly, the king, the Royal Government, and other national institutions. Therefore, in addition to providing us with protection, there should also be loyalty toward all these institutions, the king, the National Assembly, the Royal Government, and other national institutions.

It is in this vein that I raise this point calling for cooperation among commissioned and noncommissioned officers and troops with other units of the Khmer Royal Armed Forces [KRAF]. For example, today we have commanders from the joint command, the general staff, infantry, navy, and air force personnel here. I call for cooperation among KRAF units and good cooperation with the National Police and the military police to better carry out your mission with no mistake or conflict.

[Passage omitted on Hun Sen calling on officers to continue their good work over the past year assisting the people during floods and drought and stressing the importance of internal unity and discipline]

In connection with recent attempts to destroy the Kingdom of Cambodia, the Royal Government, and my life, I want to issue this order to Brigade 70 and directly to Battalion 2: Take preemptive measures, and by this I mean you should be organized and prepared, and only waiting for the order to cooperate with the intelligence and anti-terrorist forces to completely eliminate terrorists inside Cambodia. You have the means. Measures against terrorists do not call for tanks. What is important here is to cooperate with the intelligence units of the supreme command, of the general staff, and the intelligence and anti-terrorist section of the National Police to destroy terrorist dens in Cambodia because as long as these guys are inside Cambodia our country cannot enjoy calm. If the defense task involved only providing protection around the house, it would mean you had lost the initiative. Therefore, you have to strike at those forces from a distance with whatever means. We cannot allow terrorists to continue in their course in Cambodia.

In the United States, when they heard Libyan President Gaddafi's announcement that he would send terrorists into the United States, Reagan and Bush immediately ordered aircraft to attack the positions and the palace of Libyan President Gaddafi.

Therefore, my issuing the order to Battalion 2 to cooperate with other units to destroy terrorists in Cambodia is not unwarranted. It is the duty of the Royal Government and the entire armed forces, including the KRAF, the National Police, and the military police. I want Battalion 2, a part of which is a counter-intelligence force, to contribute to destroying the terrorists' dens. This is a new order the unit has not been given before. However, in my view, it is not enough just to provide safety on the spot. We have to take preventive and preemptive measures through the destruction of these forces. No one will regret the destruction or death of these forces. If these guys live, they will be like worms destroying the society and the nation. They are so daring as to attempt to assassinate the prime minister of a legitimate government. If we do not destroy them, the lives of other people would also be threatened. Therefore, they have to be dealt with appropriately, using legal means, using force, using all means to get them out of Cambodia.

[Passage omitted on Hun Sen thanking officers for their efforts to protect him and his wife and conveying best wishes to everyone present].

CPP Supports 'Irreplaceable' Leader Hun Sen

BK2711023795 Phnom Penh National Radio of Cambodia Network in Cambodian 1300 GMT 26 Nov 95

[Statement issued by the Cambodian People's Party in Phnom Penh on 26 November]

[FBIS Translated Text] While the royal government, parliament, and court have been instituting legal action against Prince Kromkhun Norodom Sirivut on attempting to assassinate Samdech Hun Sen, second prime minister of the Kingdom of Cambodia, a number of journalists and politicians have presented reports and made comments that may be confusing to some segments of the public. The Cambodian People's Party [CPP] therefore deems it necessary to issue the following clarification:

1. We sternly denounce the despicable attempt to assassinate Samdech Hun Sen, second prime minister and vice chairman of the CPP, an attempt that betrays the interests of the nation and people, undermines the country's stability, and is punishable by the laws in force.

The CPP demands that the court continue to investigate this attempt and adjudge it correctly in accordance with due legal processes.

We demand that the competent authorities continue to hunt down the terrorists so they can be punished accordingly in order to eliminate all such contemptible terrorist acts from Cambodia.

The CPP is resolutely determined to ensure the safety of Samdech Hun Sen, second prime minister and its vice chairman, who is an irreplaceable and eminent leader of the CPP as well as that of the Cambodian nation and people. Samdech Hun Sen is a great leader who has made great physical and mental sacrifices for the nation, motherland, and people and who has made enormous contributions to all the achievements realized so far by our national community. The assassination attempt against Samdech Hun Sen is therefore an unpardonable crime.

The CPP would like to express profound gratitude to the competent establishments concerned, to officials and civil servants at all echelons, and to the people in general for sending it petitions to express their support for Samdech Hun Sen, second prime minister and vice chairman of the CPP.

2. The CPP unreservedly supports decision 247RK95 dated 21 November 1995 taken by the National Assembly concerning the lifting of Prince Kromkhun Norodom Sirivut's immunity, thus allowing competent authorities and the court to take legal action against him. This was the right enjoyed by the members of parliament and it was the most correct measure to have been taken under the law [passage indistinct].

At the same time, the CPP continues to cooperate with all political parties with the aim of consolidating the country's political stability and its development efforts in strict respect for the constitution.

4. The CPP would like again stress that it remains unwaveringly loyal to the throne and that it follows in the footsteps of His Majesty King Norodom Sihanouk Varaman and the queen by continuing to help preserve and protect the monarchy in accordance with the current constitution.

[Dated] Phnom Penh 26 November 1995

[Signed] The CPP

Ranariddh, Hun Sen Cooperation Remains 'Strong'

BK2811095895 Phnom Penh REAKSMEI KAMPUCHEA in Cambodian 27-28 Nov 95 pp 1, 11

[Report by Vanna: "The CPP and FUNCINPEC Party in the Wake of the "Prince Kromkhun Case""]

[FBIS Translated Text] One thing that has greatly worried most people is that the "Prince Kromkhun [Norodom Sirivut] case" might lead to a serious rift between the Cambodian People's Party [CPP] and the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party, the two main partners in Cambodia's power-sharing coalition.

As a result of such a rift, there might be a general state of instability, plunging Cambodia into another round of internal crises. However, the clarification of the matter issued on 24 November by Prince Krompreah Norodom Ranariddh, first prime minister and chairman of the FUNCINPEC party, and the speech made by Samdech Hun Sen, second prime minister and vice chairman of the CPP, at Traeuy Sla of S'ang District, Kandal Province, on 25 November made all the skeptics see that the "Prince Kromkhun case" will in no way bring a "divorce" between the two parties.

FUNCINPEC Takes Responsibility for Resolving the "Prince Kromkhun Case"

According to some analyses, the "Prince Kromkhun case" could become a fuse to destroy the CPP-FUNCINPEC alliance. There have been many analyses and prejudgments, including claims that "the Norodom clan is facing extinction"; "FUNCINPEC has had both its arms cut off by Samdech Hun Sen without putting up a fight"; "FUNCINPEC members were intimidated into voting for the lifting of Prince Kromkhun's parliamentary immunity"...

On 24 November Prince Krompreah stressed in his statement of clarification that as far as the Prince Kromkhun case was concerned, he had made one intervention after another, both in his own name and in his capacity as the first prime minister, concerning the house arrest, the vote to lift parliamentary immunity, and the temporary confinement of Prince Kromkhun Norodom Sirivut. While denying the assertion that "FUNCINPEC has had both its arms cut off by Samdech Hun Sen without putting up a fight", Prince Krompreah gave his version of the incident from beginning to end and reaffirmed that FUNCINPEC "still keeps its union and its unity around its chairman, and that FUNCINPEC is a highly responsible, conscientious, and active party that has a firm hold of itself..."

And on 25 November, the prince's secretariat issued another three-point clarification as follows:

1. The legal processes involved in the actions that led to the house arrest with armed guard, the lifting of parliamentary immunity, and the confinement of His Royal Highness Prince Norodom Sirivut were conducted in accordance with the normal practice of the executive, legislative, and judiciary branches and in accordance with the Constitution, law, and regulations of the Kingdom of Cambodia.

2. Throughout this sad incident, the two prime ministers held constant consultations and had agreements with one another when necessary and discussed, compromised, and acted in total accord with the royal government.

3. Faced with such an incident, the entire government has the duty to take minimum protective measures. The house arrest with armed guard of His Royal Highness Prince Norodom Sirivut was one of these protective measures.

The Assassination Attempt Is a Personal Matter

Samdech Hun Sen said at Traeuy Sla that the attempt to kill him "is purely a personal matter, as was a coup d'etat staged last year from within the CPP. Therefore, the two incidents (the coup d'etat of 1994 and the assassination attempt against Samdech Hun Sen) were not issues between the CPP and the FUNCINPEC party; they were simply personal matters."

The samdech claimed that relations among the political parties in the government and parliament, especially relations between the CPP and FUNCINPEC and "between Prince Krompreah Norodom Ranariddh and Samdech Hun Sen remain strong."

Samdech Hun Sen asked this question: Will the above terrorist incident have any effect on the CPP's policy toward the royal household, relations between the CPP and the king, relations between the CPP and the throne, and the support of the CPP for the monarchy?

The samdech emphasized that this incident was not the first of its kind. The first was when Prince Kromkhun Norodom Chakkrapong — another son of the king and a member of the CPP — plotted with some elements to stage a coup d'etat, and this time the attempt was again linked to one of the king's relatives, his half-brother. However, on both occasions his majesty the king did not oppose the institution of legal action. His majesty is well known for respecting the Constitution. He considers all his subjects throughout the country as his children and he has an equal love for all his children. The king of Cambodia is not above the Constitution and he does not grant special privileges to any members of the royal household to do what they please.

Therefore, concerning the aforementioned incident, the people and members of the armed forces who support Samdech Hun Sen must not show any mistrust toward the royal palace.

The CPP Supports Constitutional Monarchy

Despite that incident, Samdech Hun Sen went on to assert further that the stand of the CPP remains unchanged: It supports the constitutional monarchy. The CPP has done everything in accordance with the Paris agreement and it always follows the king.

Samdech Hun Sen claimed that during the past two months some individuals in Australia, the United States, France, and Canada have talked about rewriting Cambodia's Constitution. They asked: What is your opinion, your stand vis-a-vis the monarchic regime in Cambodia and the king?

The samdech emphasized that the CPP is not a club set up for fun. The CPP has already adopted a principled stand, which is to join the FUNCINPEC and other parties in reestablishing the monarchy. Therefore, this issue is out of the question. A politician who has just set up a new party said while answering that question in Australia that the issue of Cambodia's monarchy should be left to the people to decide in 1998. So, does this mean that there will soon be a constitutional coup in Cambodia?

Cambodia's Constitution does not condone any amendment to the chapter on the king. Whether by a self-administered coup, a 2/3 or 3/4 or 4/5 vote, or by a 100 percent vote, you still have no right to amend that chapter.

The samdech asserted that "the monarchy in Cambodia or Cambodia with a constitutional monarchy is eternal. You can put it that way."

In his appeal, the samdech reiterated in his capacity as the second prime minister and army commander in chief that he is absolutely committed to defending the Constitution and the throne as well as the king in line with the motto "Country, Religion, and King".

'Narco-State' Articles Based on 'Weak Logic'

BK2111124395 Phnom Penh REAKSMEI KAMPUCHEA in Cambodian 20-21 Nov 95 pp 1, 11

[Report by Seiha: "Behind the Story: "Cambodia: Asia's New Narco-State?""]

[FBIS Translated Text] The cover story of the Far Eastern Economic Review's 23 November issue under the headline: "Cambodia: Asia's New Narco-State?" has been regarded by analysts of the Cambodian situation as being political rather than truly informative.

This series of articles attacked impoverished Cambodia through a smear campaign that is bereft of any sound logic and based on the opinion of prejudiced persons who, just to make people believe them, would not hesitate to bring serious sanctions upon Cambodia and the Royal Government of Cambodia.

Sam Rangsi, the Root of the Articles?

Although Nate Thayer, the author of the above-mentioned series of articles claimed he spent a period of four months researching the stories, it should be pointed out that Sam Rangsi was the main source upon whom Nate Thayer substantiated his report. Even the remarks of U.S. Ambassador Charles Twining cited in this story were quoted by Sam Rangsi.

"Please tell Ranariddh not to get involved with Theng Bunma because we Americans have evidence that Theng Bunma is involved in drug trafficking," Sam Rangsi was quoted by Nate Thayer as having been told by Charles Twining during a private meeting at the ambassador's residence. The U.S. Embassy would not comment on the discussion, observed the PHNOM PENH POST in its 17-30 November issue.

However, the PHNOM PENH POST quoted [Information Ministry spokesman] Sieng Lapresse as having said: "He [Twining] met with Rangsi many times and talked about many things. He did not remember saying or not saying... He said that the word 'evidence' was serious. If it were him he did not dare use it."

Sieng Lapresse said he called Twining after reading the article and was given that answer by the U.S. ambassador.

Both Rangsi and Lapresse claimed they were told by Twining, but Twining kept quiet. So, the one who should know best must be Twining. As a superpower's high-ranking diplomat, Twining was recently criticized by Prince Krompreah Norodom Ranariddh for attending the official opening of Sam Rangsi's Khmer Nation Party, which the Cambodian Government has declared illegal. How can one understand what is behind the ambassador's silence? Nevertheless, from what he told Sieng Lapresse, anyone can see that Twining has already made a very diplomatic denial of the so-called "evidence that Theng Bunma is involved in drug trafficking".

The Weak Logic of the Articles

Nate Thayer's story has painted Cambodia into Asia's new narco- state. But what has happened in this country has given an entirely opposing picture. The Royal Government of Cambodia has asked for assistance from the United States to help prevent Cambodia from being used as a transit route for drug trade.

This call has resulted in successive instances of cooperation with the United States, which had provided over $320,000 in funds to set up a drug analysis laboratory and other equipment. Open cooperation with the United States against the drug trade has led authorities to make successive raids on heroin smuggling operations in Cambodia. However, it is most unreasonable if the figures of heroin hauls are being used as proof that Cambodia has become another of Asia's narco-states. They should instead reflect the fact that drugs are having difficulty transiting Cambodia.

An official involved in the aid to combat drug trafficking in Cambodia told the PHNOM PENH POST that the cooperation has been very good. "They (Cambodia) have asked for cooperation and we (the United States) have responded... U.S. Drug Enforcement Agency (DEA) agents now visit Cambodia regularly to conduct training and to meet with (Cambodian) counterparts."

Nate Thayer's article also talked about the use of government planes, helicopters, military trucks, navy boats, and soldiers to transport heroin. Asked to comment on this allegation, a U.S. Embassy spokesman declined to comment but said he did not know who the official quoted in the Nate Thayer story was.

Besides, Theng Bunma was part of an official delegation led by National Assembly chairman Samdech Chea Sim, which recently visited the United States. The normal practice by U.S. authorities is not to issue a visa to anyone suspected of being involved in drug trafficking. If the sequence of events is taken into consideration and if Charles Twining really did talk to Sam Rangsi, the talk must have taken place when Sam Rangsi was still the finance minister, while Theng Bunma's travel to the United States took place just a few months ago.

It has been asked why the United States granted a visa to Theng Bunma if its ambassador knew that there was evidence of Theng Bunma's involvement in drug trafficking. The U.S. Embassy declined to comment on this issue as well; however, an official told the PHNOM PENH POST that the U.S. Embassy does not discuss deliberations by which it made the decision.

That is another example of the weak logic of Nate Thayer's story.

What Has Nate Thayer Done for Cambodia?

For journalism, the most confusing thing is that "only bad news is news while good news is no news." But this does not mean a journalist cannot write about good things. Nate Thayer, however, has written not a single positive story about Cambodia. Virtually all of his articles have impaired Cambodia's good image. For example, the story about a cannibalist prison at Chheu Khmau temple, Battambang, whose proof of existence has so far remained elusive, and now the story about Cambodia being Asia's new narco-state.

How should we understand Nate Thayer? Has he been around merely to degrade Cambodia; to make the world fear it, hate it, stop assisting it and stop investing in it? The policy of alienating Cambodia from the rest of the world was used before by some extremists in Cambodia as their strategy to topple the royal government. Nevertheless, the ones who will really be punished will not be those named in Nate Thayer's articles but the nearly 10 million innocent Cambodians.

Indonesia

MNLF Chief Accuses Manila of Preparing for War

BK2811030295 Jakarta KOMPAS in Indonesian 28 Nov 95

[Unattributed report — received via Internet]

[FBIS Translated Excerpt] Jakarta, KOMPAS — Nur Misuari, chairman of the Moro National Liberation Front [MNLF], has accused the Philippine Government of preparing troops to attack Mindanao if the two sides fail to reach agreement in Jakarta. Misuari said his organization and people are facing a dilemma of continuing to strive for autonomy or resuming the guerrilla war.

Misuari quoted General Arturo Enrile, commanding general of the Armed Forces of the Philippines [AFP], as saying recently that AFP is ready to go to war if the Jakarta talks fail. According to Misuari, two high-ranking Philippine officials — secretary of interior and local government and head of the National Security Council — have also renewed their determination to fight MNLF.

Regarding the dilemma between "achieving autonomy and taking up arms again," Misuari said: "Will we revert to our political objective because the demand for autonomy is wrong and undesirable or return to a radical struggle to achieve decolonization in Mindanao and restore our full political freedom, sovereignty, and independence?" [sentence as received] [passage omitted]

Commander on Asylum-Seeking Attempt at Embassy

BK1511125195 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 15 Nov 95

[FBIS Translated Text] Twenty-one East Timorese youths, who entered the Japanese Embassy compound to ask for political asylum yesterday, have been influenced by certain groups or individuals who do not want to see peace and stability in East Timor. Major General Rivai, commander of the Udayana Ninth Region Military Command, said this to reporters in Mataram, West Nusatenggara. Without such influence exerted by those living overseas or inside the country, those youths would not have committed the act, which would only undermine themselves or their family members.

As far as their security is concerned, nobody has ever persecuted them and their decision to enter the Japanese Embassy and ask for political asylum is hard to understand. As a result of their action, their family members will suffer a sense of loss. Asked whether any action will be taken against the groups or individuals who have influenced the youths, the commander said his men are still investigating the case.

Trikora Commander: Rebels Still Active on Border

BK1711083195 Jakarta ANTARA in Indonesian 0404 GMT 17 Nov 95

[FBIS Translated Excerpt] Jayapura, 17 November (ANTARA) — Armed Forces Major General Dunija, commander of the 8th Trikora Regional Command, has conceded that the GPK [Security Disturbance Movement] and the OPM [Free Papua Movement] are causing disturbances to residents living along Indonesia-Papua New Guinea border. The border residents have been cautioned to remain constantly alert.

Speaking to ANTARA after a ceremony marking the handing over of duties from Colonel, Infantry, Iping Sumantri, Assistant Commander of the Intelligence Staff, to his successor, Lieutenant Colonel, Infantry, C.P.L. Maryoto and also the handing over of duties from Colonel, Infantry, M.K. Sirait, assistant operations commander to Lieutenant Colonel, Infantry, Winarno in Jayapura on Thursday, the Trikora commander explained that on 14 November an armed clash occurred between GPK members and an Indonesian Armed Forces team at Obkin village in Waropko district of Merauke Regency, resulting in the death of one Armed Forces personnel and injury to another.

He said the armed clash indicated the presence of the GPK and the OPM in Irian Jaya.

The armed clash, which lasted for some time, also indicated that the GPK is still present in Irian Jaya despite its declining strength. [passage omitted on border residents being urged to remain cautious]

Army Captures Two Irian Jaya Separatist Rebels

BK2211042795 Jakarta ANTARA in Indonesian 1633 GMT 21 Nov 95

[FBIS Translated Excerpt] Jayapura, 21 Nov (ANTARA) — An ABRI [Armed Forces of the Republic of Indonesia] unit has captured two persons believed to be members of a security disturbance movement called OPM [Free Papua Movement], in the Waropko subdistrict of Merauke District, Irian Jaya.

Brigadier General Amir Syarifuddin, chief of staff of the Trikora 8th Military Region, told ANTARA on Tuesday that the two security disturbance movement members were captured on 17 November after ABRI pursued members of the movement for frequently harassing residents along the border of the Republic of Indonesia and Papua New Guinea.

The two captured members initially revealed that their commander was injured during an armed clash with an ABRI unit in Obkin Village on 14 November. One ABRI soldier was killed and another injured during the clash. [passage omitted]

Minister: Foreign Debt Drops to $61.3 Billion

BK2811074895 Jakarta THE JAKARTA POST in English 21 Nov 95 p 1

[FBIS Transcribed Text] Jakarta (JP) — The government's foreign debt amounted to U.S.$61.3 billion as of September, Minister of Finance Mar'ie Muhammad in a hearing with the budgetary commission of the House of Representatives here yesterday.

Set against the $64 billion — the total amount of official foreign debts as of May, which the central bank announced in June — Mar'ie figure represented a significant decline.

Mar'ie said 72.2 percent of the $61.3 billion total debt consisted of overseas soft loans, 25.5 percent of export credits and the remaining 2.3 percent of commercial loans.

He said foreign loan commitments of $21.2 billion, including $2 billion in standby commercial loans, had not yet been disbursed as of September.

Most of the foreign loans which were obtained mainly from Japan, the United States, Germany, France and multilateral institutions, such as the World Bank and the Asian Development Bank, are soft in nature with maturities of 15 years to 30 years, grace periods of five years to 10 years and interest rates of between 2.5 percent and 5.5 percent.

Mar'ie gave the explanations on the first day of his four-day hearing with the budgetary commission on the implementation of the first semester of the 1995-1996 state budget.

He told the commission that new official foreign borrowings in the next fiscal year (1996-1997) would not likely increase from the current fiscal year.

"We will instead try to early amortize the part of our foreign debt, which bears high interest rates, or more than 10 percent a year," Mari'ie added.

The minister said that in anticipation of the appreciation of foreign currencies, especially the yen, the government will minimize borrowings in yen and will seek more loans in U.S. dollars, or other foreign currencies.

The minister said that during the first half of 1995-1996 (April- September), net capital inflows amounted to $5.6 billion.

"The big capital inflows more than offset the current account deficit, so that the overall balance of payments ended up the first semester with a surplus of $913 million. "

He added that only $100 million of the total net capital inflows consisted of official capital and the remainder consisted of foreign direct or portfolio investments.

"Gross official capital inflows amounted only to $2.5 billion, while government debt installments reached $2.4 billion," he said in explaining why the net official capital inflow was so small.

Mar'ie estimated that net capital inflows in the second semester would reach $4.9 billion, of which $4.5 billion would be private capital and the rest official loans.

Most of the foreign direct capital will be invested in the electricity, chemical, textile, paper and food industries, he added.

Speaking about budget estimates, Mar'ie said internal revenues for this fiscal year could be Rp [rupiah] 2.9 trillion ($1.26 billion) larger than the Rp 66.2 trillion envisaged in the budget due mainly to larger than estimated tax receipts from the oil and non-oil sectors.

He said tax revenues from oil and natural gas during the first semester were estimated at Rp 7.42 trillion on the basis of an average oil price of $17.17 per barrel.

He added that though oil tax receipts might be smaller in the second semester due to expected lower oil prices, the receipt target for the whole year would still be achieved due to the larger revenues in the first semester.

Commentary Evaluates Success of APEC Forum

BK2411090495 Jakarta THE JAKARTA POST in English 20 Oct 95 p 4

[Editorial: "APEC's Action Agenda"]

[FBIS Transcribed Text] The addition of the adjective "voluntary" to the series of commitments endorsed at the APEC [Asia-Pacific Economic Cooperation] leaders' meeting in Osaka yesterday may seem a dilution of the "Action Agenda" for the implementation of the regional forum's vision on free, open trade and investment. Skeptics may thus see the agreements as insignificant questioning what is, after all, the meaning of commitments which are not binding.

However, such a conclusive impression can be expected only of those who enter negotiations in bad faith, presuming that it is harmless to agree on anything which is not binding and which can later be discarded. That, though, is not the right way to view the results of the latest leaders' meeting of the six year-old Asia- Pacific Economic Cooperation forum. If we read too deeply into the word ""voluntary" and assess the agreements fully in legalistic terms, without any sense of good faith, we could simply regard the APEC process as a futile exercise. Too legalistic an approach to a forum which still prefers listing its members as economies instead of countries would be inappropriate to the process of APEC, which groups almost all categories of economies where conflicts of national interests are inherent.

The most fitting way to evaluate the results of the Osaka meeting would be to ascertain whether the forum remains consistent in its objective and whether the latest leaders' meeting made any progress on what was achieved by previous fora.

The latest forum clearly shows that the grouping remains focused on economic cooperation, and the principle of its cooperation remains to be based on the recognition of the different levels of development and the diverse circumstances of each of its 18 member economies. This strong consistency itself, though perhaps not fully appreciated by those who do not completely grasp the meaning of the wide diversity of the forum's members, is one of the basic foundations essential to maintain the further existence of the regional economic forum.

The Osaka summit reaffirms the target dates for free and open trade in the year 2010 for the developed members and the year 2020 for the least developed ones, as set at the second forum in the West Java town of Bogor last November. The target dates were the translation of the economic vision adopted by the APEC leaders in their first summit in Seattle in November, 1993.

The Osaka meeting was assigned to draw the blueprint and the "Action Agenda" for implementing free, open trade and investment in the region. And that was precisely what was delivered in Osaka. Several members even went further by committing advance liberalization programs. Even more encouraging is the adoption of the principle of comprehensiveness for trade liberalization, in spite of early disputes over the demand by several members for the exclusion of farm products. On top of that is the advancement of the start up of trade liberalization in 1997, three years ahead of the original schedule.

Obviously, the "Action Agenda" does not meet all reasonable expectations, which is understandable considering the member countries' diverse levels of development and their respective national interests.

Most important, though, is that the momentum of the APEC process is maintained. The 1996 leaders meeting in Manila can then make another building block for the free trade goal from the cumulative progress already gained over the last three summits.

Civil Servants 'Expected' To Support Golkar

95P30061A

[FBIS Media Note] Summary: According to the Jakarta press, senior Indonesian officials have made conflicting statements on whether government employees are free to vote for the candidates of their choice in general elections. The opposition parties have long complained that civil servants have been coaxed into voting for the ruling party, the press said.

The 23 September KOMPAS reported that the Indonesian Democratic Party (PDI) and the United Development Party (PPP) have alleged that civil servants have been persuaded to vote for the ruling political organization Golkar in general elections. Underlining the fact that government employees have the same rights and responsibilities as other citizens, PDI Chairwoman Megawati Soekarnoputri has questioned the practice of making civil servants vote for Golkar. Similarly, PPP's Aisyah Amini, has questioned the government's policy of preventing its employees from joining other political organizations.

According to the 26 September SUARA KARYA, State Secretary Murdiono has said in a news conference that government regulation No. 20/1976 allows civil servants to join any of the three existing political organizations. Murdiono noted, however, that the Civil Service Corps (Korpri) to which all government employees must belong, had reaffirmed its support for Golkar at its 1994 congress. While Murdiono opined that the government regulation should be regarded as the governing rule, he stressed that Korpri's position is binding on its members and that the organization expects them to vote accordingly, the paper reported. Korpri, with more than 6 million members, has assisted Golkar in past elections by sending members to election rallies nationwide, the paper said, because Korpri is also part of the Golkar leadership.

According to KOMPAS, Korpri Chairman Suryatna Soebrata agrees with Murdiono that the government regulation mentioned above allows civil servants to vote for the candidates of their choice, however, he pointed out that government workers can join a political party only with the approval of their superiors. Citing article 2 of the 1976 regulation, Suryatna noted that a government employee in a key position must have his or her superior's permission before joining a political organization. Those who do not hold such a position are only required to inform their supervisors. Suryatna added that government employees are expected to show loyalty to the government—not Golkar—but that this "loyalty concept" has been widely misunderstood and construed to mean they should vote for Golkar. It is, therefore, "a misinterpretation by the public if they equate government with Golkar," Suryatna asserted.

Meanwhile, SUARA KARYA reported that Home Affairs Minister Yogie has denied the assertion that senior government officials have prevented civil servants from joining political organizations other than Golkar. Yogie said that complaints from the PDI and PPP were unfounded, according to the paper. Korpri Secretary General Waskito Reksosoedirdjo, on the other hand, insisted that Korpri members cannot support any political group other than Golkar, according to SUARA KARYA. In fact, Waskito who is also an executive member of Golkar's central committee, warned that those who violate Korpri's position on party affiliation will face disciplinary action. Waskito asserted that only Golkar shares the same ideology and concerns as Korpri, such as "maintaining vigilance against communists and extreme rightists."

Article Analyzes Military White Paper

BK2611134295 Singapore BUSINESS TIMES (INSTITUTE OF SOUTHEAST ASIAN STUDIES TRENDS Supplement) in English 25-26 Nov 95 p 2

[Article by Leonard C. Sebastian]

[FBIS Transcribed Text] Indonesia is only the second country in Southeast Asia after Thailand that now has a public defence document that it can defend in the international arena and use as a reference for future dialogue on national defence planning.

The 55-page English-language defence White Paper, "The Policy of the State Defence and Security of the Republic of Indonesia," covers developments in the strategic environment, defence and security policy, defence and security force posture, defence and security development under the sixth five-year development plan (Repelita VI), and the Indonesian Armed Forces in national development explaining the rationale for the Armed Forces' doctrine of "dwi-fungsi" by which they have a socio-political as well as a military function.

Until now, defence planning documents prepared within Hankam or the Ministry of Defence were not publicly available and were used primarily as internal working papers.

The White Paper, published on Oct 24, is an important statement of intent by Indonesia to its regional neighbours aimed at generating a greater understanding of Indonesia's defence and security priorities. Writing in the preface to Indonesia's first public defence planning document, Defence Minister General Edi Sudrajat stressed that the White Paper "is intended to promote wider understanding of Indonesia's defence and security policy in support of development of the state's defence and security capabilities and of mutual understanding with other nations, particularly neighbouring nations".

By publishing its first formal defence White Paper, Indonesia intends to articulate clearly that it takes the Asean Regional Forum (ARF) seriously. Two years ago, the countries taking part in the ARF agreed to work towards the publication of national defence planning documents.

The White Paper builds on a now familiar theme of "layered security" or what was known during General Benny Murdani's tenure as Armed Forces Commander as stabilitas berlapis or "layered stability". This connotes a "concentric circles" or "defence in depth" approach where "the deepest layer is domestic security, followed by sub-regional (ASEAN) security, regional (South-east Asian) security and the security of the neighbouring regions in this order". Taking domestic concerns as paramount, the report argues that "medium-term instability in Indonesia will tend to be caused by internal rather than external factors".

In its very essence, defence and security policy must first and foremost serve the nation itself, national unity and territorial integrity.

According to the White Paper, the strength of the army by the end of the Sixth Five-Year Development Plan is expected to increase from 235,237 to 243,000 personnel. The bulk of the army's forces are assigned to territorial duties. These forces are reinforced when the need arises by a strategic strike force (Kostrad) comprised of two combat divisions and two special forces (Kopassus) commando groups. The navy's strength, estimated at 47,000, comprises two Regional Fleets, one Marine Corps and one Military Sealift Command. An air force of 23,000 personnel comprises two Air Operation Commands. Each consists of one strategic combat squadron and two tactical combat squadrons, one air transport unit and one early- warning radar network.

The White Paper does not give a substantial breakdown of the defence force structure or the budget. Neither does it outline plans for new capital equipment unlike, for instance, the Australian Defence White Paper issued in late 1994. It simply states that defence planning averaged US$1.8 billion between 1988 and 1990.

According to figures cited by the report, Indonesia's defence spending is relatively low compared with its neighbours. Indonesia spends only US$10 a year per capita on defence, while Thailand spends US$40, Malaysia US$99, and Singapore US$511. Defence spending, though, is unlikely to remain at 1.7 per cent of gross domestic product and is anticipated to increase to between 2 and 3 per cent of GDP.

One reason for the low defence spending figures can be found in Indonesia's own unique strategic culture. Indonesia's strategic concepts, developed in the late 1950s, are based on a total people's defence and security system (Sishankamrata). In Indonesia, economic development priorities take precedence over the defence effort. Working from an understanding that funds to equip the military with adequate hardware will not always be available, Indonesia's defence strategy has required that the ability to deter a would-be aggressor should not be based on the size of the conventional military forces it could muster, but on the resistance of the whole population.

Historical antecedents, geographical setting and a political ideology as well as knowledge that the poorly-equiped Indonesian forces could never hope to match a technologically-advanced invader, have all conspired to mould a unique territorial defence doctrine that is non-provocative in nature and tailor-made for Indonesia's national security needs.

The White Paper's strategic overview is premised on the rationale that "Indonesia's defence and security strategy is not balance of power but balance of interests". Hence the emphasis on "international dialogue among nations maintaining regional peace". There is, however, guarded optimism about the current regional security environment.

It makes a positive assessment regarding co-operation with Singapore and Malaysia and the benefits that would accrue to all parties from the Singapore, Johor and Riau (SIJORI) development growth triangle. Mention is also made of the strong bilateral military co-operation between Indonesia and Singapore which will contribute to the development of the "concept of bilateral CBM (confidence-building measures)".

The White Paper also points to three issues that "could cause friction among nations which, in turn, can effect internal conditions, including domestic security". The first refers obliquely to the possibilities of potential military conflict in the South China Sea between countries determined to secure guaranteed access to "industrial raw materials and energy sources".

The second pertains to issues of democratisation and human rights which will continue to be "conspicuous as long as there is no agreement, particularly between West and East, on their application based on differing cultures". The third concerns "preservation of the environment as it relates to economic development".

The report remains ambiguous regarding the U.S. role in the region making reference to the decline of the U.S. defence budget which "only changes the method of maintaining military capabilities in the Asia-Pacific region, and does not lessen U.S. interest in controlling the situation in the region".

In the final assessment, the White Paper clearly illustrates that Indonesia's defence and security policy is non-provocative. Yet, because of its size, whether or not Indonesia's defence posture should be regarded as non-offensive is determined primarily by the perception of its smaller neighbours.

While analysts will argue that the defence White Paper is not as comprehensive or detailed as they would have liked, it is important to bear in mind that the significance of this report is not necessarily what is contained in its pages, but of the willingness of Indonesia to make its defence planning process more transparent. This in turn has the beneficial effect of instilling confidence and assurance on the part of Indonesia's neighbours.

Laos

Vientiane City Official Meets PRC Delegation

BK2411105195 Vientiane KPL in English 0929 GMT 24 Nov 95

[FBIS Transcribed Text] Vientiane, November 24 (KPL) — A delegation of Vientiane Prefecture led by Vice Mayor Dr. Phouthong Seng-akhom yesterday afternoon held talks with the delegation of Chinese Hang Zhou City headed by Vice Governor Mr. Xu Zhao-Ji.

During the meeting, the two sides exchanged views on further strengthening the relations of friendship and cooperation between the two cities. The talks focussed especially on trade, agriculture, plantation, animal husbandry, and industry, among other issues.

The two sides also expressed their satisfaction over the existing cooperation in several domains in the past, especially the visit of Vientiane mayor to Hang Zhou City, which also marked the good relations between the two cities.

The Hang Zhou delegation arrived here on November 23 for a 5-day visit to Vientiane Prefecture at the invitation of the Vientiane Prefecture party and administration committees. The Chinese delegation will call on Mayor Boun-ngang Volachit and Mr. Channong Inthavong, president of the Lao front for national construction of the prefecture branch, and visit some trade, industrial and cultural sites.

Leaders Receive Japanese Parliamentarians

BK2811080195 Vientiane KPL in English 0922 GMT 27 Nov 95

[FBIS Transcribed Text] Vientiane, November 25 (KPL) — Premier Khamtai Siphandon and President of the National Assembly Saman Vi- gnaket separately received here the delegation of the Japanese-Lao parliamentary friendship associations led by Mr. Toshiyuki Toya, member of Diet (Japanese parliament) while the latter's delegation is paying a goodwill working visit to the Lao PDR [People's Democratic Republic].

During the discussion with the visiting Japanese delegation, the Lao leaders hailed the visit to Laos by the Japanese-Lao parliamentary friendship association. The relations of friendship and cooperation between Laos and Japan have been improved in a significant way after Lao Premier Khamtai Siphandon paid an official working visit last June to Japan. While in Tokyo, Premier Khamtai Siphandon met Japanese Prime Minister Tomiichi Murayama and paid a courtesy visit to His Majesty the Emperor Akihito. The ministers of foreign affairs of the two countries, Mr. Somsavat Lengsavat and Mr. Yohei Kono, also exchanged notes on the grant to help finance five projects: the construction of 11 bridges on the strategic Road No 13 south — the main artery of land transportation in Laos — excluding the 15 small bridges under construction on this road between Pak Kading to Nam Thon rivers, the Vientiane international airport renovation project, the vaccine storage project the telecommunication project and the cultural cooperation project which will provide instruments for the arts troupe.

At present, Japan is the leading donor among the donor countries to Laos and Japan declared that it will keep this position.

During the meeting with his Japanese counterpart, Somsavat Lengsavat was told that Japan highly valued the important position of Laos towards the stability, development and cooperation in the region. Japan also hailed the activeness of Laos in foreign affairs.

The Lao foreign minister also briefed his Japanese counterpart of the preparations Laos is making for membership in the Association of the Southeast Asian Nations (ASEAN) and the difficulties involved. In this respect, Japan accepted to help.

Following the visit to Japan by the high-level delegation of the Lao government, the relations, contact and exchange of visit between the two countries will not be restricted to the high-ranking officials of the government only but will be extended to representatives of such mass organisation as the Lao Women's Union, the Lao

People's Revolutionary Youth Union, and friendship organisations, as well as people in business circles.

The Lao government delegation was also informed that in the next five years Japan agrees to invite 100 representatives of the Lao People's Revolutionary Youth Union to visit Japan, 20 persons a year. The invitation will also be for the Lao Women's Union.

In celebration of the three historic days of Laos, the Japanese government will grant a fund of 500 million yen which is not contained in the funds for the aid project signed by the two foreign ministers. These days are the 40th founding anniversary of the Lao People's Revolutionary Party (March 22, 1995), the 20th anniversary of the Lao People's Democratic Republic (December 2, 1995), and the 75th anniversary of the late President Kaysone Phomvihan (December 13).

In addition, Japan will also help Laos in human resource development.

Philippines

Ramos on French Nuclear Test, APEC, MNLF

BK2311153795 Quezon City Radio Filipinas in English 0230 GMT 23 Nov 95

[Weekly news conference by President Fidel V. Ramos with domestic correspondents, moderated by Press Secretary Hector Villanueva at Malacanang Palace in Manila on 22 November; italicized passages in Tagalog — recorded]

[FBIS Transcribed Excerpt] [passage omitted] [Villanueva] Ariel, rather Vic, do you have any question?

[Vic, name not further specified] Good afternoon, Sir.

[Ramos] Good afternoon.

[Vic] What is the government's prospects in the upcoming peace talks with the MNLF [Moro National Liberation Front], Sir?

[Ramos] The mood today was guarded optimism. We have always been optimistic but since this is now reaching the climax, so to speak, we do not want to second-guess the negotiators, and we do not want to put out great expectations considering the sensitivity of the remaining issues. For your information, about 98 percent of the contentious issues have already been resolved by the so-called mixed committees as well as during the first two rounds of the formal panel talks. So, we are sending off the government panel with the full support of the national leadership.

[Vic] Follow-up, Sir.

[Villanueva] Yes, go ahead.

[Vic] For example, if the Jakarta talks fail, does the government prepare for any eventual outbreak of hostilities?

[Ramos] Of course, we will not reveal our negotiating strategy just like that, *just wait for the final results.* [passage omitted]

[Ramos] I would like to announce also in the meantime, that we as a nation, and we as chairman of the Group of 77, again condemn this continued testing of nuclear weapons by France. We received the report today that this morning, the fourth nuclear test bomb was exploded in Mururoa, and this had the power of five to 20 kilotons, more or less commensurate to the three previous ones, that is big enough and as you know during the 50th anniversary of the United Nations last month, everyone, just about everyone except for the ones doing this, asked a resolution calling for the end to nuclear testing and this is a manifestation of the widespread opposition to such tests by the countries that have nuclear weapon capabilities. Anyway, this is the full statement, Mr. Secretary.

[Villanueva] Thank you, Sir. Ariel?

[Ramos] Please, go ahead.

[Ariel, name not further specified] Good afternoon, Sir.

[Ramos] Good afternoon.

[Ariel] Sir, there have been concerns aired on the country's hosting of APEC [Asia-Pacific Economic Cooperation] next year. Among these are Senator Tatad's statement that the country has not received tangible benefits from APEC and should not spend P [Philippine pesos] 1.2 billion for hosting it. And there have also been concerns on whether the country — still a developing economy — is financially and technically capable of putting in place the more than 1,200 action plans of the member economies. Sir, could you impart to us your thoughts on these concerns, are they well-founded and...[Ramos breaks in]

[Ramos] No, they are unfounded and they are quite insular, parochial and provincial in approach. We must understand the reality now happening throughout the world.

The ASEAN for instance, our originally five countries, then Brunei came in and this year, Vietnam, is into the AFTA — ASEAN Free Trade Area — and this was decided by this government, as early as 1991, during the summit in Singapore that year of the ASEAN heads of governments. And what was the commitment of the Philippines at that time — that we will exert our best efforts to have the tariffs and other barriers to free trade minimized and reduced to the smallest possible percentage and that original commitment was in 15 years. Since then that has been cut down to 10 years and this government is still committed to that.

You must recognize that APEC, in its opening up of the region, Asia-Pacific, has become the most dynamic regional economy in the world, so that within five to six years it is conceivable that more than one-half of the world's trade and production could be in our Asia-Pacific region. And that has been made possible by this openness and liberalization of trade, investment and economic cooperation.

Now, what will the Philippines do? Do we get on board or do we continue to be isolated from the rest of the world? You take your pick and instead of the one Smokey Mountain disappearing now which we are making disappear, we may have a thousand other Smokey Mountains in other places around the Philippines. I will not allow that to happen. Besides this business of saying we are going to spend P1.2 billion is an indication that some people do not know their arithmetic. Because the official estimate which is our working planning figure is somewhere between P360 million and maybe P400 million, but this is yet to be approved by me. This is just the working figure at the planning level.

You must also realize that a lot of the investment that accompanies a meeting of this nature, of this magnitude is going to come from the private sector, not from appropriated funds. Also, we are not going to duplicate Osaka. We are not going to build a new Osaka in the next 12 months. No, we will do it our way so that we can fulfill our mission which is, we must integrate some 1,100 to 1,500 [passage indistinct] in the Asia-Pacific and multilateral, meaning the WTO [World Trade Organization] and the like plans so that we will have a harmonious road map to the 21st century within our Asia-Pacific region. Now, that kind of work we can handle and we must not shy away from it because here we are already well recognized in the international community as a restored performer which we fought very hard to get back to after being (shantied) into the backyard 20 years ago. So this is something that every Filipino should be proud of.

And I am asking for the total cooperation of all leaders, national and local, all agencies as well as the leaders of the private sector and concerned Filipino citizens.

Now, by the way, will you kindly pass on to those who do not have yet our official statements that came out of APEC from the leaders and this was put out by Prime Minister Murayama, my own statement after that leaders' summit, evening of the 19th Sunday, and my arrival statement, almost midnight on Sunday, because it is all there. And I hope that you put more credence to what is coming from those who are responsible for implementing the policies of the government. Okay?

[Ariel] Sir, *can I have a follow-up*?

[Ramos] *You ask the secretary.*

[Villanueva] Okay, please go ahead.

[Ariel] Sir, there were reports from Osaka that the Chinese president asked you not to allow Taipei to join next year's meeting?

[Ramos] I have answered that question also, but I will answer it again. In APEC, as well as in ASEAN the rule is (mushawara mupakat), what is that — consultation and consensus. You may consult, but if you do not have consensus, then there is no decision, there is no acceptance, there is no changing of the rules. If you have (mushawara) and (mupakat) and there is consensus, that is fine. But the rules are, we always consult and then we come to a consensus. Okay?

[Ariel] Thank you, Sir. [passage omitted]

[Unidentified correspondent] Sir, if we may go back to the Jakarta talks. What kind of pressure will the ICO [Organization of Islamic Conference] be making on the MNLF and even on the Philippine Government?

[Ramos] I do not know. That is the Jakarta Government [words indistinct] we are into a negotiation. Jakarta of course is providing (our) offices, in its capacity first as a friend and a neighbor here in ASEAN, as one of the leading countries with a huge Muslim population, and of course, as chair of the Committee of Six which is the executive committee within the ICO, and we hope that, as it was done in the first two rounds that it will be able to bring the positions of the two panels as closely as possible so that this could lead to an agreement.

[Unidentified correspondent] Do you expect an agreement to be signed in the Jakarta peace talks?

[Ramos] Well, that will be the maximum objective of course of our government panel but the talks will have to be intensely pursued as much as possible during the four days that they are negotiating.

[Unidentified correspondent] So, this supposed last round of talks will turn out not to be the last perhaps?

[Ramos] Well, we do not know. *Let us just wait for the developments.*

[Unidentified correspondent] Thank you, Sir. [passage omitted]

[Ariel] Sir, I hope you would not mind, just a point of clarification. Are you still open to [Taiwan's] President Lee attending the APEC, and what if Beijing objected even if there is a consensus among the member countries?

[Ramos] There is not going to be a consensus if Beijing objects, Beijing is a member of APEC. And even one objection means that there is no consensus. [passage omitted]

Thailand

Meeting With Cambodia, Khun Sa Issue Viewed

BK2811145795 Bangkok Thai Color Television Channel 9 in Thai 1200 GMT 28 Nov 95

[FBIS Translated Text] A high-level Thai-Cambodian border committee meeting is due to take place. Those attending the meeting will include the Thai and Cambodian defense ministers. The Thai delegation will be led by Defense Minister General Chawalit Yongchaiyut. According to him, discussions will cover the responsibility of a new committee to handle the opening border checkpoints between the two countries. Cambodia proposed the opening of Poipet and Koh Kong, whereas Thailand proposed to open checkpoints at Chong Chom in Surin Province and Ta Phraya in Sa Kaeo Province. Discussion will also cover the massacre of 22 Thai workers in Cambodia last year.

Commenting on the Thai-Burmese border issue, especially when asked about the possibility of Khun Sa seeking asylum in Thailand, Army Commander General Pramon Phalasin said that a decision on such an important matter rests with his superiors at a higher level. As for him, he would take into consideration the overall effect the country would have to bear, especially concerning the narcotics problem.

[Begin Pramon recording] I think, in terms of a criminal who has committed offenses, he must be dealt with according to the law. But, it is not for me to say whether or not he should be allowed to stay here. We must balance the pros and cons of it. [end recording]

Wirot Views Khun Sa's Reported Entry Request

BK2811090095 Bangkok NAEO NA in Thai 28 Nov 95 p 9

[FBIS Translated Text] Supreme Commander General Wirot Saengsanit has commented on drug trafficking kingpin Khun Sa's request to stay in Thailand. He said he would have to know first which agency would make a request. If a request is made he will definitely not allow Khun Sa to stay. It would not be right because his request would not be for political asylum. If the Interior Ministry does approve his stay that means proper process was considered to ensure that there would be no future involvement in narcotics. No one can approve his stay if his involvement continues. Wirot said: "Let him enter the country first and I will answer the question of whether or not his entry is appropriate. He has not entered the country so I cannot answer that question now. I am not worried about the issue. Inquiry will have to be made regarding why he is allowed to enter the country, because it is not right to allow him to enter."

Ties of 'Mutual Respect' With Laos Viewed

BK2711044395 Bangkok THE NATION in English 27 Nov 95 p A4

[Article by Don Pathan: "Thailand and Laos: The Search for Mutual Respect"]

[FBIS Transcribed Text] The notion that a country gives something out of the goodness of its heart has always been hard for many people to swallow.

And in the case of Thai-Laos diplomatic relations, the term "mutual respect" does not always come straight to mind. Unlike the Thai-United States relationship of the Cold War years when the term "donor-recipient" was often used to describe the bond between the two nations, the relationship between Thailand and Laos has been difficult to define diplomatically.

To suggest anything less than a partnership created an immediate sense of resentment among Laotians who have never been too keen on the popular but negative notion among Thais that Laos is more or less than just another Isan [northeastern] province, or that Laotians are the younger siblings of the Thais — a term with the connotation of inferiority.

To be politically correct, the saying Ban Phi Muang Nong — which suggests that the two people are more or less siblings or close relatives — is discouraged among officials. And in spite of the fact that the ties between the two countries have been growing steadily closer, the revolutionary concept Laos Pen Lao — or "Laos is Lao" — is likely to remain a constant reminder that the communist country is not an extension of Thailand.

Under the "new thinking", or Chintanakan Mai, which was introduced in 1991 as part of a move to open up the land-locked country to foreign investors, Laos speeded up the process towards a market economy and at the same time, sought to strengthen its political affiliation with Thailand.

But while many would agree that modern day political-economic settings have rigidly defined the boundaries between the two countries, it would be misleading, however, to point to this new reality as the sole agent for the uneasiness between the two people. The feeling of intimidation goes far beyond the political and economic arena, and is rooted in the social and political histories of the two people.

"We are not entirely blameless in this scenario," said a senior Thai foreign ministry official. "We should treat them the way we treat Malaysia," he added.

For level-headed observers, the Laotian request is understandable. But from the perspective of power politics, it has a tendency to fall on deaf ears — largely because the communist state does not have the same kind of economic clout as the Kingdom's southern neighbour.

Nevertheless, during the recent fifth meeting of the Thai-Laos Joint Commission, the Thai Foreign Ministry under the leadership of Kasemsamoson Kasemsi moved to bring a new balance to the relationship. But whether other ministries agree with Kasemsamoson's "love thy neighbour" approach — as opposed to dealing with Vientiane from a position of power — remains to be seen.

Thus far, no one in government, not even at the Commerce Ministry, has openly objected to Kasemsamoson's call for eliminating all taxes on all agricultural products from Laos.

The foreign minister told a group of Thai and Laotian businessmen and officials at a luncheon in Vientiane that the ties between the two countries should not be perceived in the narrow bounds of business competition but rather in a broader context of development and economic cooperation.

Furthermore, Kasemsamoson was calling on both sides to level the playing field by ending all forms of favouritism because he believes that such practices have a tendency to lead to corruption. He said more emphasis needs to be put on finding a better strategy and systematic approach so that trade frictions between the two sides can be minimized.

Besides the proposal for zero-tax on Laotian agricultural goods, Kasemsamoson suggested that the two countries enter a joint venture by lifting flight restrictions from Thailand to Laos and in return, the profits would be shared between the two countries.

Furthermore, Kasemsamoson announced that Thailand will support Laos' bid to have the secretariat of the newly-created Mekong River Commission (MRC) located in Vientiane. The announcement was deemed a pleasant surprise for Vientiane because since the inauguration of the commission in Chiang Rai earlier this year, all four riparian countries have lobbied to host the secretariat.

Both countries have acknowledged that there is a real need for them to link their transport networks in order to facilitate the growing demands from their business sectors.

The linking would be in line with the post Cold War trends whereby countries are seeking to open and integrate their economies. And for the two so-called siblings, the forum would have to be the Association of Southeast Asian Nations (ASEAN).

Thailand is planning to move its labour-intensive industries to the other side of the Mekong, while Laos has been seeking the Kingdom's help to integrate into ASEAN, as well as gain access to the international market through Thailand's eastern sea board.

In spite of the fact that Laos lacks the technical know-how and infrastructure, Thailand knows very well that its generosity will come in handy for all in the region in the coming decades if the two neighbours, under the wing of ASEAN, are to effectively compete in a market-oriented world.

But while Vientiane wants to be on an equal footing with Bangkok, Laos knows too well that at the moment it does not have the economic clout to back its demands. This is not to say that the socialist country is entirely reliant on the kindness of its wealthier neighbour. The Vientiane leaders are not that naive. They do have a plan of their own.

At the moment, Laos wants to become a prime supplier of energy to the region. As can been seen in its quest to construct the controversial Nam Theun II dam, which is slated to generate 681 megawatts, it is apparent that Laos has decided to go for broke. Unfortunately for Vientiane, the Asian Development Bank (ADB) and the World Bank do not share the same enthusiasm for the benefits of hydropower.

The project is deemed ill-considered by many observers and the ADB has stated that it is not in its mandate to fund anything so large.

Nevertheless, the Southeast Asian country is hoping that its generous investment law, along with its abundant natural resources, will attract foreign investors.

As for Thai businessmen, Laos is considered a viable location to transplant some of Thailand's labour-intensive industries, particularly the agricultural and textiles sectors. And though it will not become a tiger any time soon, the stability in Laos is deemed an attractive asset.

No one can deny that there has always been a sense of uneasiness when the two so-called brothers from opposite sides of Mekong River meet each other at the negotiating table. In fact, the idea of restoring some equality between the two countries should not be seen entirely as a change of heart on the Thai side.

The two came together because the new political and economic realities of the post-Cold War era forced them to do so. Indeed, Vientiane knows too well that in classical diplomacy, the rule of the thumb is that you take what you can get and give what you can afford to give. In other words, there is a fine line between foreign policy and foreign interest.

Burmese Delegation Arrives, Calls on Banhan

BK1511034295 Bangkok Thai Color Television Channel 9 in Thai 1200 GMT 14 Nov 95

[FBIS Translated Text] Burmese Deputy Prime Minister Vice Admiral Maung Maung Khin and his delegation, which included the hotels and tourism minister, the minister of national planning and economic development, the deputy livestock minister, the deputy home affairs minister, and the deputy construction minister, called on General Chawalit Yongchaiyut, deputy prime minister and defense minister, at the Defense Ministry this morning. Also present to welcome the Burmese visitors were senior Thai military officers.

This afternoon Gen. Chawalit accompanied Vice Admiral Maung Maung Khin to call on Prime Minister Banhan Sinlapa-acha at Government House. Speaking to newsmen afterward, Gen. Chawalit said so far there was no discussion on the outstanding problems between the two countries, but he was confident that everything would work out well.

[Begin Chawalit recording] The incident occurred at the border; there was no problem between the two governments. Consequently, the problem will be easy to solve. So far, we have not discussed any issue. This is because both sides understand what the issues are at large. We have five more days with the Burmese visitors. [end recording]

The Defense Ministry hosted a dinner this evening for the Burmese delegation. The delegation will be in Thailand until 18 November as a guest of Gen. Chawalit.

Former Drug Panel Chief Thanat Interviewed

BK2811142195 Bangkok ATHIT in Thai 24-30 Nov 95 pp 12-17

["Exclusive interview" with Thanat Khoman, former foreign minister and head of the commission of inquiry investigating U.S. drug charges against certain Thai politicians, by correspondents Piyanat Worasiri and Uaichai Taechutrakun at his residence in Bangkok on 16 November]

[FBIS Translated Text] [ATHIT] How long was the speech you delivered at the United Nations? How was the atmosphere at the meeting?

[Thanat] Not very long — approximately 25 minutes. People just grabbed copies of my speech while I was speaking.

[ATHIT] Did the U.S. side make any impromptu statement after your speech?

[Thanat] No, they did not. They did not dare do so even at the three or four meetings held after that. They chose to grab the Thai Government's neck instead.

[ATHIT] Is it true that the chairman of the meeting did not allow the U.S. side to make any impromptu statement?

[Thanat] They probably could not make any statement at that moment because they had to report the matter to Washington first. Later, they chose to hit the Thai Government in the head because they figured out the government is easier to intimidate. Besides, the government does not have the guts to do anything against them.

[ATHIT] What was the reaction of other countries that have faced similar drug accusations?

[Thanat] Applause and cheers. (Laughter) They grabbed all the copies of my speech, even the ones being held by members of our delegation.

[ATHIT] Your speech caught us by surprise. I remember you told reporters that you did not plan to speak there even though the agenda indicated you would deliver a speech. Was that a trick of your diplomacy?

[Thanat] I did not have to tell anyone what I would do. It was a personal secret.

[ATHIT] What was your status at the United Nations?

[Thanat] I went there as a member of the Thai delegation. As a result, Thailand was threatened. The Thai Government was scared and nervous and behaved clumsily. The problem is that the United States was frightened because we had the facts and information to substantiate our claims. Coincidentally, on the very day I was scheduled to speak, THE NEW YORK TIMES published a story on money laundering and the narcotics business in the United States. According to the newspaper, the amount of money laundered in the United States each year ranges from 75 to 150 billion baht.

More than 100 U.S. companies are involved. We used the information to prove that the United States itself is the biggest source of money laundering and narcotics trafficking in the world. The U.S. delegation was annoyed by this statement because it contradicted what the U.S. President said a few days earlier.

The U.S. side dared not make any excuses at the committee meeting. Seeing that the Thai Government was very weak, they summoned the Thai charge d'affaires and asked him whether what I said at the meeting represented the government's opinion. The Thai Government was very frightened and feared U.S. retribution. [Prime Minister] Banhan said that the speech represented my personal opinion. It should not be that way. It was a stupid answer designed to get him out of difficulty. If he knew about international politics and diplomacy, he could have simply replied that a member of the Thai delegation to the United States can express the feelings and opinions of the people of the country, not just the policies of the government and country. He could have answered that a member of the Thai delegation has the right to say this even if it is not government policy. The Thai Government was extremely nervous and scared when it was asked this question. It means that they will not protect a Thai citizens's right to defend the country's dignity. On the contrary, they bowed their heads and admitted the allegations.

So it is clear that the government does not protect the country's dignity and prestige. The government is weak; can be easily intimidated; and is not aware of its duty in defending the rights, dignity, and prestige of the country and people.

[ATHIT] The Thai side is rather receptive to the accusations, isn't it? For example, during the administration of former prime minister Chuan Likphai, the then foreign minister Squadron Leader Prasong Sunsiri even proposed a secret house session for discussion of the U.S. drug accusations.

(Thanat) He is called a CIA agent. A journalist informed me that he had met with a former CIA man during the latter's visit here. The CIA man told the journalist that the former foreign minister was his student. He is an obedient, faithful, and well-tamed student of the CIA. He was the one who exploited the information he got from the U.S. Embassy. During my trip to the United Nations, I gathered evidence to prove how they did it.

I can tell you a brief story as follows: About a year ago, the U.S. ambassador handed the list of persons who were suspected of getting involved in narcotics trafficking to a director general under the Ministry of Foreign Affairs. The list was forwarded to the deputy permanent secretary, who later submitted it to the permanent secretary. The then foreign minister got hold of the list through the permanent secretary of the ministry. However, the list disappeared from the files of the ministry. Somebody probably took it home for fear that the United States might be accused of having interfered in our internal affairs and that it might be used in parliament. An MP told me that during the no-confidence debate, the government side cited the list to accuse the opposition MP's of getting involved in drug trafficking. As a result, the the no- confidence motion was defeated. This indicated that the then government borrowed the hands of foreigners, that is, the Americans, to assist its internal political struggle. The Americans are irritated by the fact that they have accused of interfering in Thailands's internal affairs.

A study is being conducted by a number of former CIA men on the credibility of those drug charges. I was informed during my stay there that the study revealed that the drug accusations were groundless and relied mostly on verbal statements of DEA officials who came to work in Thailand with the consent of the Thai side. Verbal statements cannot be used as evidence in court. If they have strong evidence, the accused persons will be tried in court, as in the case of the former MP, Thanong.

[ATHIT] In your capacity as chairman of the inquiry committee, are you authorized to call for the missing list?

[Thanat] How can I do that? The committee has no judicial power to summon anyone to give testimony. We were simply told to gather evidence and information for the government. We are preparing a written request for the U.S.-provided information that was presented to the former foreign minister and later to the former prime minister. It is going to be a big mess whether we get the list or not. According to the order appointing the inquiry committee, we are supposed to search for information and evidence to prove the reliability of the accusations ourselves.

[ATHIT] Why can't you demand the list from the former foreign minister? Is it because this person is not member of the present government?

[Thanat] He will not give us the list. We have no judicial power to force him to do so.

[ATHIT] Is it because the document provided by the U.S. ambassador is not an official document, so it simply disappeared?

[Thanat] It is an official document. But it was not there.

[ATHIT] Did the Ministry of Foreign Affairs set up any committee to investigate the disappearance of the document?

[Thanat] I did not see any committee investigating the matter. They just told me that they do not have the document.

[ATHIT] We would like to talk about the luncheon you had with U.S. charge d'affaires Boyce Ralph, which later became big news and caused the U.S. Embassy to issue a statement.

[Thanat] Oh, that guy is very cunning.

[ATHIT] Who made the first contact?

[Thanat] I invited him for a talk. But it turned out that he denied every issue we had discussed and on which we had reached agreement. He did not keep his word. He distorted the facts.

[ATHIT] What did he distort?

[Thanat] We discussed the undeniable fact that the U.S. ambassador went to the Ministry of Foreign Affairs and handed the list to the director general and the list had disappeared. There were witnesses who can testify to the meeting between the ambassador and the director general. The ambassador did not meet the minister, the top-ranking official of the ministry.

[ATHIT] During the luncheon, the charge d'affaires admitted the fact.

[Thanat] It was an undeniable fact. He could not deny it. He admitted that the U.S. ambassador gave the list of names to the Thai Government.

[ATHIT] Was the method of retaliation against the United States you used regarded as a diplomatic maneuver?

[Thanat] It was obvious that they dared not retaliate against us during the UN meeting. By so doing, they would have lost more than they would have gained because we have the fact in our hands. The fact is that the United States is the biggest narcotics-consuming and -trafficking country in the world. The whole business involves a huge amount of money, as much as 175 billion baht.

[ATHIT] They keep condemning other drug-producing countries while failing to clean up their own house. In other words, they do not suppress the drug demand at home.

[Thanat] You are right. They want to conceal their weakness and vices. Drug trafficking and money laundering are flourishing in their country. They are trying to divert attention to other places.

[ATHIT] What do you mean when you said former CIA men are conducting a study of or research into this connection?

[Thanat] These people feel that the accusations were groundless. Otherwise, the U.S. authority would have arrested or sued the suspects. They do not have any incriminating evidence. Meanwhile, the Thai side dare not stand up to defend the country's dignity and prestige. Any government failing to do that is worthless and hard to work with.

[ATHIT] Does it mean that you will eventually withdraw from the commission?

[Thanat] It will be known in the next 10 days whether I will be able to continue the work or not. Since this is their attitude, it is unlikely that I will be able to work with them. A government that is so uncertain and fails to defend the country's and people's dignity is worthless.

[ATHIT] The withdrawal of the Federation for Democracy from the Political Reform Committee has already impaired the image of the government. Will your resignation from the Public Inquiry Commission cause more damage to the government?

[Thanat] Probably not. My position has nothing to do with politics. The number of votes in parliament decides the fate of the government.

[ATHIT] Do you mean that within the next 10 days, if the cases of Narong Wongwan and Watthana Atsawahem do not meet the criteria, you will propose the dissolution of the commission?

[Thanat] Even if the two cases meet the criteria, anything can happen.

[ATHIT] Besides Watthana Atsawahem and Narong Wongwan, has the commission ever received complaints from people who are not politicians?

[Thanat] None. We have received three more petitions, but they were irrelevant to narcotics charges. At this stage, we have two cases that are now being studied by the subcommittee. The result will be known in the next 10 days. If the subcommittee rules that they do not meet the criteria, they will be closed.

[ATHIT] What do you mean "criteria"?

[Thanat] I mean the case is irrelevant to narcotics trafficking charges. The commission was appointed to gather facts and information regarding narcotics trafficking accusations.

[ATHIT] Can you tell us the details of the three cases?

[Thanat] I cannot remember all of them. One from a newspaper. The other two cases merely present opinions, nothing pertaining to narcotics trafficking. They came from press people, not politicians.

[ATHIT] Did the pressure on the government from the mass media or the general public contribute to the government's weakness in dealing with the U.S. drug charges?

[Thanat] It depended on their reaction. They should have found the right reaction to the U.S. threat. They might have been naive or been caught off guard, I don't know. They should have given the kind of response I told you of earlier. The fact is that a delegate does not have to talk only about what the government has told him to say. He has the right, and it is his duty, to talk about the opinions, rights, and interests of the people. I do not know whether it is their stupidity or naivete that prevented them from finding an appropriate answer.

[ATHIT] In your capacity as chairman of the Public Inquiry Commission, how do you view the role of the Thai mass media?

[Thanat] Some foreign-language newspapers are serving as stooges or mouthpieces of the embassy. You know the newspapers I mean. However, Thai-language papers are sincere and make themselves neutral. One particular English-language newspaper is serving as the mouthpiece or stooge, so called by the communists, of the Western embassy.

[ATHIT] The delivery of guilty verdicts on some politicians by the mass media is tantamount to an endorsement of the U.S. drug accusations. Is that an appropriate practice?

[Thanat] Not at all. In principle, you need solid evidence to make a criminal accusation against anyone. In particular, the evidence must be usable in court. If you have no evidence, they will sue you back. However, the accuser in this case is a diplomat, who is protected by legal immunity. Nobody can sue him. The court will not accept the case. As an ordinary person, you cannot make a criminal accusation against anyone whom you do not like. Otherwise, you will face a libel suit.

[ATHIT] It is recommended that the accused politicians go to the United States to prove their innocence, but they are unable to get entry visas.

[Thanat] As a matter of fact, the accused politicians have expressed their intention to go to the United States to settle the problems, but their visa applications were rejected.

[ATHIT] The rejection of their visa applications implies that they were guilty.

[Thanat] The rejection of their visa applications on the suspicion that they were involved in drug trafficking is one way to interfere in our country's internal affairs. In fact, they do not have to give reasons for the rejection.

[ATHIT] Since you have been dealing with the United States since the formation of the SEATO [Southeast Asian Treaty Organization], of which you are one of the co-founders, can you tell us how long has the United States been behaving like this?

[Thanat] The formation of SEATO was designed to check the expansion of communism, which was about to dominate Laos and Vietnam. Some members countries like France, the United Kingdom, and other European nations did not want to get involved. We told them that Thailand wanted SEATO to help it fight communism. Since those countries did not want to fight communism, the organization was useless for Thailand. Therefore, we set up the Association of Southeast Asian Nations instead.

[ATHIT] Were you the one who signed the Thanat-Rusk agreement?

[Thanat] Yes, it was not an agreement. We called it a joint communique. The reason I signed the joint communique was because I noticed that the U.S. Congress did not want to get involved in the fight against communism as it did with the European countries under the framework of NATO. It was not prepared to cope with the problem in this region. So we signed a joint communique between Thailand and the United States.

[ATHIT] What is the major incentive of the intensified U.S. interference in the internal affairs of various countries, including Thailand?

[Thanat] The United States is now economically weak. It used to be a military and economic power. Therefore, it has to show off its economic strength by exploiting the vulnerable points of countries that it can pressure for economic interests. For example, it accused Japan of failing to open wide its market for U.S. cars and spare parts while using the issue of the violations of human rights against China. Thailand is a place where the United States wants to harvest economic gains. It is the expansion of economic might. It is a type of expansionism different from colonialism or imperialism, which require military force to seize other countries. In economic expansionism, they seize the markets and economies of other countries. In the case of Thailand, first, they have dominated more than half, 56 to 58 percent, of the insurance industry. Second, they intend to control the market for medical supplies through the enforcement of pharmaceutical patents and intellectual property protection laws. Third, they want to extend their influence to cover the Thai mass media by demanding a decrease in the import tax levied on movie film from 30 to 3 percent. They are also interested in opening up our market for their soybeans and cigarettes. This is what we call neo-imperialism.

[Athit] During the government of former prime minister General Chatchai Chunhawan, the United States heavily pressured Thailand concerning the passage of the copyright bill, the withdrawal of GSP tax privileges, and pharmaceutical patent protection.

[Thanat] Eventually, we surrendered. I cannot remember which government. In the case of American cigarettes, if we had been smart enough, we should have studied how other countries handled the problem. France was also in the same position. However, U.S. cigarettes can be sold in France only through the country's tobacco monopoly.

[ATHIT] After the passage of the Copyright Act during the government of former prime minister Chuan Likphai, it was noticeable that the United States was extremely demanding on many issues.

[Thanat] It was their major offensive. Compared with Japan and Germany, the United States is getting economically weaker. So, they resorted to economic expansionism. We are often unaware of their schemes and are excessively terrified by their threats. For instances, newspapers and the mass media were prohibited from publicizing my speech at the United Nations. This is absolutely vicious. It exposes their own stupidity, impotence, and naivete.

[ATHIT] You went to the United Nations as government-appointed adviser to the Thai delegation.

[Thanat] Yes, I was appointed by the government. The ban on the dissemination of my speech is unprecedented in Thailand. This government and the Ministry of Foreign Affairs have done the most disgusting thing.

[ATHIT] It might be the request from the United States. The advertisement of your UN speech among the Thai people could upset the U.S. side.

[Thanat] The U.S. side merely asked the Thai Government if what I said there represented its opinion or not. Banhan told them that it was my personal view.

[ATHIT] Did you have any opportunity to meet Prime Minister Banhan Sinlapa-acha after that?

[Thanat] I did not ask for a meeting with him. I have nothing to do with him. I am not a permanent employee of the government. I have never had any connection with Banhan or his Chat Thai Party.

[ATHIT] How were you approached to be appointed as chairman of the inquiry commission?

[Thanat] A minister telephoned me and asked me to chair the commission. I accepted the proposal because I believed that the position would enable me to defend the country's dignity and prestige. My duty is not to purify any particular person.

[ATHIT] The government asked you to help solve its problem. Yet it does not help or defend you at all. How do you feel about this situation?

[Thanat] They are all chickens. They are ugly, weak and stupid. I cannot find the right words to describe them. They have no diplomatic expertise. The Ministry of Foreign Affairs is lousy and incompetent.

[ATHIT] You have wasted much of your time and energy in serving in this position.

[Thanat] Other people might say that, but I don't because I serve the interests of the majority. I am not afraid of criticism. I fear nobody, not even the U.S. side. They are afraid of me. They dare not hit back at the United Nations. They chose an easy target, that is, a weak government. The United States made the right decision. The U.S. Government has diplomatic expertise.

[ATHIT] The performance of the present government and that of former prime minister Chuan Likphai in handling foreign relations is said to be very poor. As a former foreign minister, what is your opinion?

[Thanat] It can be attributed to the lack of proper education and training. They do not know the common practices of diplomacy and international politics. To answer the U.S. side that what I said at the United Nations was my personal opinion, not that of the government, indicated that the person has a dull brain and only thinks of his own survival.

[ATHIT] Do you have any suggestions for the handling of relations with neighboring countries?

[Thanat] I have no suggestions. If they cannot do a good job, they should not be the government. The performance of the former government in handling foreign relations was poor, but that of the present government is even poorer.

[ATHIT] Since the United States is our big market, we should refrain from doing anything that might harm our trade relations.

[Thanat] That is untrue. We do not owe any gratitude to the United States. On the contrary, the United States should feel grateful to us because we provide good quality and low-priced goods for the Americans. I do not know what is wrong with the people in the government. They always think that we owe gratitude to the United States and allow the latter to bully us.

[ATHIT] They often threaten to withdraw the GSP tax privileges for our products.

[Thanat] Let them do that. In fact, we should not have accepted both the GSP privileges and the meager financial assistance for narcotics suppression. I have stated this in many articles I have written. They use these two things to monitor our internal affairs. The GSP has been used for bargaining. It looks like we are very greedy. It is chocolate coated with poison. Malaysia and Singapore did not accept the two things and yet their trade and economy are better than ours.

[ATHIT] Besides the U.S. economic expansionism, what is your opinion concerning the U.S. role in maintaining security in this region? Is it necessary to have 100,000 U.S. troops and U.S. floating military bases here?

[Thanat] The United States is currently in a difficult position. Nobody wants U.S. troops. Okinawa and Korea are about to oust U.S. military bases. The U.S. base at Subic Bay and Clark air base in the Philippines were closed. Thailand refused to give permission for the United States to have its floating base anchored in the Gulf of Thailand. No countries want U.S. troops. Japan is now paying 5 billion dollars to feed the U.S. troops.

[ATHIT] Does the situation in this region warrant the presence of U.S. troops?

[Thanat] You know whether or not we must have U.S. troops here. They say that the situation in Asia is still uncertain. But who will they fight here?. There is nobody for them to fight.

[ATHIT] They are here to maintain the balance with China. China is growing stronger and can pose threats to the region.

[THANAT] They are trying to paint a picture of China being in the process of starting a war in this region. That is untrue. China is not in a position to start any war for the next several decades.

[ATHIT] Can you give further explanation for your assumption?

[Thanat] Although China is building up its economy, its economic strength is insufficient for starting any war, even a war with Taiwan. The most it can do is fire rockets to frighten Taiwan. Even the Spratly controversy will not lead to war. However, the United States is trying to convince other countries that China is posing threats against them. No countries, including Thailand, Indonesia, and the Philippines, believe it.

[ATHIT] It is therefore assumed that the United States will keep the drug accusations to pressure Thailand for trade and political purposes, probably including permission for the presence of its floating military base in the Gulf of Thailand.

[Thanat] Right. Like the Mafia, they will use these weak points to force us to yield to their demands.

Executive Views Telecommunications Master Plan

BK2811015195 Bangkok THE NATION in English 27 Nov 95 p B5

[Interview with Chinnawat Group executive Bunkhli Phalangsiri by THE NATION "Telecom Team"; place, date not given: "Draft on telecom draws praises from 'master' of plans"]

[FBIS Transcribed Text] [THE NATION] Would you mind elaborating on the advantages and disadvantages of the master plan?

[Bunkhli] The new plan contains practical details, such as the qualifications of the regulatory body. It specifies who will participate in the body and who are the experts in each field eligible to join the new agency.

The plan also clearly outlines the competition between the Telephone Organization of Thailand [TOT], the Communications Authority of Thailand [CAT] and the private sector.

An important point mentioned is the method of converting the existing telecom concessions, which could involve changing the concessions into shares or licence fees, buying back assets, or dropping shared-revenue in exchange for benefits to consumers.

Telephone zoning would benefit consumers because many more firms would install telephones to catch up with demand. The latest concept is that telephones are a driving force behind economic development, rather than following in its wake.

When the country starts the eighth national plan, the target will be for six million lines. Personally, I think six million lines are the minimum — they are just a framework.

Zoning has aroused conflicting opinions regarding technical aspects, and was much discussed during the master plan meetings. But if the concept is approached by looking at Thailand as six separate "countries", the communications system would operate in the same way as CAT operates its international service. No problems.

Another potential problem is how to share revenue between the zones, but it could be solved by applying the International Telecommunications Union standards and CAT's shared-revenue criteria.

The question of economies of scale under the zoning concept has also been raised, but in my opinion Thailand could handle up to 20 million lines. The country already has about six million lines, leaving around 14 million lines left to allocate. Six zones are sufficient.

[THE NATION] Have Chinnawat and Ucom [United Communications] pushed for telephone zoning simply because it is the easiest and quickest way for them to enter the business and compete with existing players?

[Bunkhli] Entries to the telephone business will be controlled by a bidding, which will be open to all who want to participate. It cannot be claimed that only Chinnawat and Ucom will have the opportunity.

Another question worth pondering is whether Thailand's telecom business should be controlled by one group. The new system will provide the opportunity for all to compete.

Many people have claimed that zoning will cause a new monopoly, but the master plan clearly stipulates that TOT will compete nationwide with newcomers in each zone. This also takes into consideration TOT's preparation for privatization. I think that TOT will remain large and has the capability to grow efficiently.

[THE NATION] But TOT has yet to start its privatization programme. Could it compete with the private sector eventually?

[Bunkhli] I believe TOT is in a hurry to privatize, but may need to restructure itself and establish subsidiaries to compete with the private firms in each zone.

[THE NATION] Is this telecom master plan really the best ever, or merely acceptable for the current situation?

[Bunkhli] I am sure it is the best — if it is not, I don't know what would be because I have not seen a better one.

Firstly, private firms are demanding telephones; secondly, the country needs competition, and under the plan TOT will be allowed to compete; and thirdly, telephones should be used to develop the economy. The zoning is in line with the demand for telephones.

If telecommunications is regarded as part of the infrastructure in the same way buildings are, the investment involved is ten times less than for the construction of a building or highway. The implementation is faster also.

[THE NATION] Does the master plan really support liberalization?

[Bunkhli] Certainly. After the regulatory body is established, it will decide which zone needs increased competition if the zone operator cannot serve the demand or encounters service problems.

[THE NATION] Telecom services in many countries which have implemented zoning are controlled by four or five companies due to the failure of the newcomers. Is it natural for a limited number of players to be allowed to operate telecom services?

[Bunkhli] Whatever happens, Thailand will end up with only four or five major telecom players. However, the government will have the right to sanction the market. It is a similar situation to the PTT (Petroleum Authority of Thailand) Bangchak Petroleum, through which the government can intervene to ensure competition.

I think four or five giants are sufficient — developed markets such as the United States have only a few major players. The country should not have too many.

Finally, the number of players is likely to be small because the industry is not as simple as selling detergent. It is not free competition, but regulated competition.

[THE NATION] Why not finish the rules and regulations first, then allow them to frame the bids?

[Bunkhli] Timing is very significant there will be a lot to do after the plan is approved by Cabinet. The first thing will be to amend five laws, which must go before parliament, and it will probably take until next year to complete.

After that, the regulatory body will be established, and will need to prepare its staff, financing and other tilings. I believe that will take until 1997.

Meanwhile, during 1996-1997 TOT and CAT are planned to be privatized and the concessions converted. So free competition should begin around 1997-1998 as stated in the master plan. If we waited for these processes, we would be into the eighth national plan already and the telephone installations would not keep up with demand.

What I would ideally like to see is six million telephone lines in use at the beginning of the eighth plan. The end of the plan should see the country with eight million lines.

The telephones must push economic development, at which point Thailand would be entering into perfect competition. The players would compete in terms of marketing and services, but today demand far exceeds supply, so the picture of real competition is unclear.

[THE NATION] If Cabinet approves the master plan and the six million line bid gets underway but the Banhan government has gone, are there likely to be any problems?

[Bunkhli] The new telephone companies will operate under the "build, transfer, operate" (BTO) concession system. If the regulatory body cannot be set up or the establishment is delayed, they will continue under the BTO system as the laws have yet to be amended to allow private firms to own telecom networks. The companies should consider pushing for amendments to free themselves from the system.

[THE NATION] Which zone does Chinnawat consider to have the most potential?

[Bunkhli] We have yet to examine the details because the terms of reference have not been released yet. When they come out, we will look at the figures, but I believe that the same number of telephones will not be installed in each zone.

[THE NATION] If TelecomAsia [TA] and Thai Telephone and Telecommunication were not in the picture and the government wanted to install lines quickly, would zoning be necessary?

[Bunkhli] Absolutely. It requires many players, as does the construction of a national road network. There would be problems with only one player.

[THE NATION] What are the problems associated with installing telephones nationwide rather than zoning?

[Bunkhli] A nationwide network would require much more time than allowing many players to participate. One player would create a monopoly, but zoning will balance the market.

[THE NATION] These seem to be purely private undertakings?

[Bunkhli] Yes. The infrastructure needs private involvement, and the government should channel its money into other activities. The state cannot handle this alone.

[THE NATION] TelecomAsia will lose benefits if zoning is allowed, so is it likely to want to compromise?

[Bunkhli] It is not simply a matter of compromising or not compromising — we are talking about competition. Every company must accept that the level of competition will intensify.

[THE NATION] If Chinnawat was in the same position as TelecomAsia, which has already won a 2.6 million line concession, would you agree if somebody suggest zoning?

[Bunkhli] Yes, I would, if Chinnawat were awarded 500,000-600,000 more lines. They had to take the new lines because they were one of the conditions for the negotiations with the government.

[THE NATION] How will Chinnawat convince TA and Thai Telephone and Telecommunication (TT&T) that they will eventually win cellular contracts?

[Bunkhli] It is in the conversation framework.

[THE NATION] But it is not mentioned in the master plan, although the fixed lines are.

[Bunkhli] Neither is the conversation framework for the concession conversion. If all were clearly explained, it would raise questions as to how we could guarantee that Chinnawat and Total Access Communication (TAC) — Ucom's cellular unit — will allow others into the mobile phone arena. On the day when the laws are amended, there will be free competition.

[THE NATION] When the laws are amended, Chinnawat's cellular unit, AIS, might attract around one million customers.

[Bunkhli] TA will also secure over two million lines when we are certain we can join the industry.

[THE NATION] That means Chinnawat must realize how many lines are controlled by TA and TT&T, but they would have no idea whether Chinnawat and TAC will be able to sell their mobile phones by then.

[Bunkhli] No one knows, including me.

[THE NATION] So what can be done to persuade them to support the plan?

[Bunkhli] Ideas are being exchanged between public and private agencies, so the plan will work where competition exists.

[THE NATION] Would it be acceptable for the plan to be totally drafted by the private sector?

[Bunkhli] No. The private sector is contributing because it is heavily involved. For example, the conversion of the concessions needs input from the private sector.

Vietnam

PRC Peace, Disarmament Delegation Departs

BK2211154295 Hanoi VNA in English
1459 GMT 22 Nov 95

[FBIS Transcribed Text] Hanoi VNA Nov 22 — A delegation of the Chinese People's Association for Peace and Disarmament led by Mr. Li Baijiao, deputy secretary general of the standing committee of the Chinese National People's Congress and president of the said association has just left here after a week-long visit.

While here, the Chinese guests were received by advisor to the communist party of Vietnam Central Committee Mr. Pham Vam Dong, National Assembly Chairman Nong Duc Manh, and president of the Presidium of the Central Committee of the Vietnam Fatherland Front Mr. Le Quang Dao.

They had working sessions with officials of the Vietnam Union of Friendship Organisations and the Vietnam Peace Committee. During the meetings, the two sides exchanged views on their work, and discussed the orientation for further bilateral cooperation, for the consolidation and development of the friendship and multi-faceted cooperation between the governments and peoples of Vietnam and China and for peace, stability, cooperation and development in the region and the world at large.

The Chinese delegation toured a number of economic and cultural establishments in Hanoi, Haiphong and Ho Chi Minh City.

Editorial Hails General Secretary's PRC Visit

BK2711090995 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 25 Nov 95

[Editorial from the 26 November NHAN DAN: "The Increasingly Consolidated and Developed Sino-Vietnamese Friendship"]

[FBIS Translated Text] General Secretary Do Muoi is paying his second official friendship visit to China. It is the fifth Sino- Vietnamese summit since November 1991, when the two countries normalized relations. This important event confirms the desire of the leaders and peoples of the two countries to hold regular meetings to exchange views and learn from each other in order to promote stable and steadily-developing Sino-Vietnamese relations in accordance with the principles laid down in the Sino-Vietnamese Joint Communique of November 1991 and during the official friendship visit to Vietnam by Jiang Zemin, CPC general secretary and PRC president, in November 1994.

Vietnam and China are two friendly neighboring countries. The two peoples have enjoyed longstanding friendly relations. Now as always, the Vietnamese party, government, and people attach importance to the development of the traditional friendship and cooperation between the two peoples of Vietnam and China. We regard this as a consistent and longstanding policy of great significance for the development of the two countries.

This summit between the two parties and states is very significant. It is designed to consolidate and develop the neighborly and cooperative relations between the two countries. It is also regarded as a huge motivating force to spur the steady development of these relations of friendship and cooperation as we enter the 21st century.

The Vietnamese people congratulate the Chinese people on the great achievements they have made over the years under the leadership of the CPC, especially since China adopted its reform and open door policy. This year China successfully fulfilled its eighth five-year plan, with the annual GDP growth rate averaging 11.7 percent. China is now embarking on its ninth five-year plan for the 1996-2000 period, and it will achieve its targets for the period between now and 2010.

Since the recent normalization of relations between Vietnam and China, bilateral relations of friendship and cooperation in various areas — political, economic, scientific, technological, and cultural — have developed constantly. Exchanges of reciprocal visits between various sectors, provinces, and mass organizations of the two countries have continued to increase. The two sides have signed many cooperation agreements. Economic and trade cooperation between the two countries is developing well. The value of trade exchange between the two countries in the first six months of the year reached $440 million. On several occasions the two sides have staged exhibitions to promote bilateral trade.

Along with the development of friendly and cooperative relations, Vietnam and China have continued to resolve both historical and new problems arising in their bilateral relations through peaceful negotiations in accordance with the agreements signed by both sides on the fundamental principles for resolving territorial border problems between the two countries. The two sides have formed a joint Sino-Vietnamese action group on the land border, a joint Sino-Vietnamese action group for the delineation of the Gulf of Tonkin, and a Sino-Vietnamese experts group in charge of maritime problems.

We are very pleased to note that the Sino-Vietnamese relations of friendship and cooperation have, over the years, developed in an encouraging fashion. Given the current situation, this Sino- Vietnamese summit in Beijing is of great importance because it reaffirms the determination of both sides to develop the Sino- Vietnamese relations of friendship and cooperation constantly in line with the interests of the two peoples and their aspirations for peace, stability, and development in the region and the world.

We are convinced that this official friendship visit to the PRC by General Secretary Do Muoi will produce good results and open a new stage of steadier and more dynamic and effective development in the Sino-Vietnamese relations of friendship and cooperation, thus contributing to the cause of peace, stability, and cooperation in the region and the world.

Deputy Prime Minister Meets Lao Delegation

BK1811162195 Hanoi VNA in English
1501 GMT 18 Nov 95

[FBIS Transcribed Text] Hanoi VNA Nov. 18 — Deputy Prime Minister Phan Van Khai received here today a delegation from the Lao Government's cryptographic board, now on a working visit to Vietnam.

Expressing his pleasure at the fine cooperation between Laos and Vietnam, particularly the cooperation in the cryptographic area, Deputy PM Khai noted that the Vietnamese Government always creates favourable conditions for the implementation of the two countries' agreements.

Mr B. Vongbada, head of the Lao cryptographic board, reiterated his wish to enjoy Vietnam's continued assistance so that they could build their cryptographic board into a strong one.

New Zealand's Bolger Meets With Le Duc Anh

BK2211035195 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 21 Nov 95

[FBIS Translated Text] State President Le Duc Anh received visiting New Zealand Prime Minister James Bolger at the Presidential Palace in Hanoi this morning [21 November].

President Le Duc Anh hailed the visit to Vietnam by Prime Minister Bolger and his wife, adding that the visit expresses fine sentiments to the Vietnamese people. He said that the recent visit to New Zealand by Party General Secretary Do Muoi and Prime Minister Vo Van Kiet, the current visit to Vietnam by Prime Minister Bolger, and the official opening of the New Zealand Embassy in Hanoi have significantly contributed to building and consolidating Vietnam-New Zealand relations of friendship and cooperation in the countries' mutual interests.

Prime Minister Bolger thanked President Le Duc Anh for his cordial reception. The prime minister highly appraised the initial achievements recorded by Vietnam in its renovation undertaking. He expressed the hope that the relations of friendship and cooperation between the two nations will help to develop these achievements.

A ceremony was held this afternoon to officially open the New Zealand Embassy in Hanoi.

Attends Opening of Hanoi Embassy

BK2211011795 Hanoi VNA in English
1518 GMT 21 Nov 95

[FBIS Transcribed Text] Hanoi VNA Nov. 21 — New Zealand opened its embassy in Hanoi this morning in the presence of Prime Minister Jim Bolger and his wife, who arrived here yesterday for a four-day visit.

Vietnamese Foreign Minister Nguyen Manh Cam and Hanoi Mayor Hoang Van Nghien were also present at the function.

Speaking on this occasion, the visiting prime minister and the Vietnamese Foreign Minister shared the view that the opening of New Zealand's Embassy in Hanoi will serve as a bridge for greater development of the Vietnam-New Zealand ties.

Departs After Four-Day Visit

BK2311161695 Hanoi VNA in English
1453 GMT 23 Nov 95

[FBIS Transcribed Text] Hanoi VNA Nov.23 — New Zealand Prime Minister, [P.M.] Jim Bolger, left Ho Chi Minh City today, ending his four-day official visit to Vietnam.

While in Vietnam, P.M. Jim Bolger and his entourage visited Ho Chi Minh City on Nov. 22-23. They were received by the mayor of the city, Truong Tan Sang, on Nov. 22. The host informed the guests of the current socio-ecnomic and cultural development of the city and its future plans.

For his part P. M. Jim Bolger highly appreciated the recent achievements recorded by the people of Ho Chi Minh City and expressed his belief that the bilateral friendship and cooperation would be further enhanced and developed.

During his stay in Ho Chi Minh City, P. M Jim Bolger attended the opening of the consulate general of his country in the city, the inauguration of a Vietnam-New Zealand building joint venture company, and met with the New Zealand community in Vietnam.

Cooperation 'Strengthened' With Sweden, Denmark

BK2011022395 Hanoi Voice of Vietnam in English
1000 GMT 18 Nov 95

[FBIS Transcribed Text] Vietnam's cooperation with northern European countries has been strengthened. Vietnam and Sweden enter a new period of cooperation as the two countries signed a $65- million development agreement on Saturday [18 November].

The Swedish Government agreed to continue cooperation with Vietnam with pledges of supporting Vietnam's on going economic reform process and social development. Also a delegation from the Danish Export Corporation came to Vietnam to negotiate a limited credit agreement with the Ministry of Finance. Under the agreement, Denmark will loan Vietnam $30 million over eight years.

Finance Minister Talks With Iraqi Counterpart

BK2011143295 Hanoi Voice of Vietnam in English 1000 GMT 20 Nov 95

[FBIS Transcribed Text] A Vietnamese finance delegation led by Minister Ho Te on Sunday [19 November] held talks with Iraqi Trade Minister Salih and other officials in Baghdad.

During the talks, Mr. Salih mentioned President Husayn's desire to expand ties with Vietnam.

Concludes Visit to Iraq 22 Nov

BK2411142695 Hanoi Voice of Vietnam in English 1000 GMT 24 Nov 95

[FBIS Transcribed Text] A Vietnamese delegation led by Finance Minister Ho Te visited Iraq from November 18 to 22. Minister Ho Te held talks with Iraqi Minister of Trade and President of the Iraq-Vietnam Intergovernmental Commission Mr. Salih to promote relations and cooperation between the two countries.

Before leaving for Vietnam, Mr. Ho Te was received by the Iraqi Vice President Ramadan who highly appreciated the cooperation and relations developing between the two countries.

Do Muoi Receives Delegation of Cuban Workers

BK2211010795 Hanoi VNA in English 1526 GMT 21 Nov 95

[FBIS Transcribed Text] Hanoi VNA November 21 — Party General Secretary Do Muoi received here this afternoon a delegation of the centre for Cuban workers headed by its President Pedro Ros now on a visit to Vietnam.

President Pedro Ros, who is also member of the Political Bureau of the Communist Party of Cuba Central Committee, expressed his pleasure at the achievements recorded by the Vietnamese people in their renovation process, considering these a strong encouragement and precious experience for the Cuban people who are confronting with hard trials in defending the revolutionary gains and building their country.

He expressed sincere thanks to the Vietnamese Party, State, Trade Unions, other mass organisations,and the entire Vietnamese people for their fraternal solidarity, warm support and practical assistance to the Cuban revolutionary cause.

General Secretary Do Muoi told his guests that the Vietnamese Party and people will forever be gratitude to the Cuban Government and people for their loyal solidarity and generous assistance to the Vietnamese people's struggle for national independence and unification as well as their national defence and construction. He also expressed his hope that the Cuban people would soon overcome the present difficulties, firmly defend the revolutionary cause and gain glorious successes in socio-economic development.

Vo Van Kiet Meets UNICEF Executive Director

BK1711150295 Hanoi VNA in English 1439 GMT 17 Nov 95

[FBIS Transcribed Text] Hanoi VNA Nov. 17 — Prime Minister [PM] Vo Van Kiet received this afternoon UNICEF Executive Director Ms. Carol Bellamy, who is here for the Third East Asia and Pacific Consultation on the Goals for Children and Development to the Year 2000.

PM Kiet expressed his satisfaction at the outcome of the consultation and said the Vietnamese Government and people have made every efforts to effectively use the assistance given by UNICEF and other international organisations for the goals for children. He also availed himself of this opportunity to thank UNICEF's help to Vietnamese children, and affirmed that Vietnam will spare no effort to carry out the goals set in the consultation.

Ms. Bellamy said the consultation was good venue for the delegates in the region to further discuss matters concerning to children's rights, and highly appreciated the achievements obtained by Vietnam in the care and protection of children.

Prime Minister on Master Plan To Fight Drugs

BK2411155795 Hanoi VNA in English 1455 GMT 24 Nov 95

[FBIS Transcribed Text] Hanoi VNA Nov.24 — The Vietnamese prime minister has approved a master plan on drug control and prevention with a view to eliminating opium poppy cultivation in the country by the year 2000.

The plan also provides targets to stem narcotics production, trafficking, transport, storage and abuse as well as drug addiction across the country. More efforts will be made to ensure strict control of narcotics-related chemical and pharmaceutical production and business. The master plan also envisages efforts for closer international cooperation in this regard.

According to the plan, priorities will be given to enhancing the capabilities of all coordinating agencies and carrying out a pilot programme to boost socio-economic development as part of the scheme to remove poppy cultivation in Ky Son district of Nghe An Province. Sustained efforts will be stepped up to intensify the effective prevention and control of drug trafficking and abuse, raise public awareness on drug control among school students, and improve personnel training in the medical rehabilitation of drug addicts.

The government has also approved funds for the master plan with 160 billion VND (about 15 million USD), from the state budget and 15.9 million USD from outside donors.

Over the past three years, more than 16,000 ha under opium poppy crops have been eradicated. However, about 3,000 ha remain under poppy cultivation in various parts of Vietnam.

Over 500 cases of drug trafficking and abuse have been uncovered so far this year with more than 600 accused being sentenced to different jail terms.

Additionally, about 7,000 out of the total 80,000 drug addicts in the country have been helped to quit their narcotics habit.

Leaders Speak at War Veteran Association Meeting

BK2411142995 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 24 Nov 95

[FBIS Translated Text] The Vietnam War Veterans Association [VWVA] Central Committee held a conference at the Ho Chi Minh Museum in Hanoi today to review the emulation movement to build a steadfast structure and exemplary members.

The conference was attended by Comrade Vu Oanh, member of the Political Bureau; Comrade Nguyen Khanh, deputy prime minister; Comrade Pham The Duyet, secretary of the Hanoi Municipal Party Committee; Comrade Truong My Hoa, member of the party Central Committee; General Doan Khue, minister of national defense; and General Vo Nguyen Giap, honorary chairman of the VWVA.

On behalf of the VWVA Central Committee, Comrade Nguyen Trong Binh, vice chairman of the association, delivered a report in which he pointed out the achievements scored over the past six years since December 1989 when the association was founded.

Speaking at the conference, both Deputy Prime Minister Nguyen Khanh and Defense Minister Doan Khue praised the many contributions of the VWVA at the various levels and individual Vietnamese war veterans. They expressed the hope that during the national renovation, war veterans will vigorously develop their traditions built up from the past wars for national defense. They should join with the entire party, people, and army in building an equitable and civilized society and contribute positively to the struggle against corruption and other social vices.

On this occasion, Prime Minister Vo Van Kiet sent a letter of greetings to the conference.

Radio Equipment Supplied to 'Grass-Roots Level'

BK2011111495 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 19 Nov 95

[FBIS Translated Text] The Binh Thuan Province Radio and Television Station recently held a ceremony to deliver radio equipment to various localities to bring information down to the grassroots level. This is part of a program to provide information to listeners in the mountain, border, and offshore island areas via radio waves.

Under this program, Radio Voice of Vietnam supplied five pieces of radio equipment to the island district of Phu Qui, and to the 456th, 450th, 436th, and 448th Border Outposts. These units are located in remote areas where information is barely accessible. Earlier the Binh Thuan Radio and Television Station delivered 200 AM-FM radios to various mountain villages and offshore islands in the province.

Corporation Asks End to Construction Steel Import

BK2411105895 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 23 Nov 95

[FBIS Translated Text] The Vietnam Steel Corporation [VSC] just officially suggested the prime minister stop the importation of construction steel in 1996, except for some types of construction steel that are not produced locally, such as piece steel, flat steel, and bendable steel.

According to the VSC source, the VSC and other joint ventures can produce more than 1 million tonnes annually at present, more than enough to meet local demand. The Thai Nguyen Steel Company and the Mien Nam Steel Company plan to produce 400,000 tonnes annually, and they can increase their production if the market demands.

Construction Ministry Examines Cement Program

BK2211095795 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 22 Nov 95

[FBIS Translated Text] The Ministry of Construction held a national conference on 20-21 November to assess the situation regarding the implementation of a program to invest in the production of 3 million tons of cement from blast furnaces and to discuss measures and approaches to be adopted under the strategy for the development of the Vietnamese cement industry until the year 2000.

The program to invest in the production of 3 million tonnes of cement from blast furnaces has been carried out through 51 projects. With a total annual output of 3.26 million tonnes, these projects have an estimated investment capital of 1.942 billion dong.

There have been eight in-depth investment projects designed to improve cement quality, 20 wide-ranging investment projects designed to improve production output, and 23 projects designed to build new cement factories. Of these, 27 projects have been recently put into operation, with a total annual output of 7.5 tonnes, which represents 45 percent of the target for total output.

Economic construction units under the Ministry of National Defense have actively participated in this program. They have made intensive investments in two projects, extensive investments in three projects, and built a new project. The total annual output of these projects are 246,000 tonnes, and they have an estimated investment capital of 158.5 billion dong.

An Giang Installs Wireless Telephone Network

BK2211131395 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 22 Nov 95

[FBIS Translated Text] With financial and technical assistance from the central government, An Giang Province is installing a 7- billion-dong border telecommunications network covering 18 border village stations for national defense and socioeconomic development requirements in the region.

This modern, new-generation wireless telephone communication network supplied by the French company Alcatel has a 320-line capacity to ensure communications with the entire border area and with the national network.

This project will be put into operation by the end of this year.

Ministry Revises Regulations on TV Relay Units

BK2511151395 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 25 Nov 95

[FBIS Translated Text] The Ministry of Culture and Information recently issued a number of circulars regarding the following: Inspection on the use of television (parabola) relay units, or TVRU; publication of special editions of newspapers and magazines for 1996 New Year and Lunar New Year of the Rat; and fee exemptions for advertisements for humanitarian programs. These circulars have been disseminated to relevant state agencies and the press.

The main focus of the circular on inspection on the use of TVRU, sent to people's committees of provinces and cities, is as follows:

Implementing the prime minister's directive on restoration of order and discipline in cultural and information activities, the Ministry of Culture and Information requests the people's committees of provinces and cities to direct relevant culture and information offices and local security forces to set up plans to control the installment and use of parabola antenna in their area of responsibility. The ministry also requests the implementation of the following:

1. Agencies and organizations with permission to use TVRU issued by Ministry of Culture and Information or the Radio and Television Department, under the now defunct Ministry of Culture, Information, Sports, and Tourism are eligible to continue to use TVRU. When their authorization expires, these agencies and organizations can apply to renew it.

Relay stations using TVRU to receive or transmit programs from Vietnam Television Network should have permission issued by the Ministry of Culture and Information or the Vietnam Television Network.

2. Agencies and organizations without permission, or permission issued by unauthorized organs, should follow one of the two following solutions:

a. If the agencies and organizations are eligible to use TVRU as determined by Ministry of Culture and Information, the TVRU should be sealed temporarily while the agencies and organizations apply for permission in pursuance to current procedures to Ministry of Culture and Information.

b. If they are not eligible users of TVRU, the equipment should be removed and confiscated.

Administrative sanctions against breaching agencies and organizations are the responsibility of relevant people's committees of provinces and cities.

3. Provinces and cities are requested to carry out inspection and other handling actions in November and report to the Press Department under the Ministry of Culture and Information by the deadline of 5 December.

4. The Ministry of Culture and Information temporarily suspends the issuance of permission to use TVRU while the provinces and cities carry out their inspections. The ministry will resume the issuance of permission to use TVRU only to provinces and cities who completed the inspection round.

5. The Ministry of Culture and Information, in association with relevant agencies, will inspect the implemen-

tation of this circular at a number of core localities such as Hanoi, Ho Chi Minh City, and Haiphong.

Construction of Provincial TV Station Begins

BK0611102495 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 5 Nov 95

[FBIS Translated Text] After a year or so of preparatory work, An Giang Province has started construction of a TV station with a projected total cost of 11.4 billion dong.

The station will be equipped with a 100-meter-high antenna tower. With its transmitter's average output reaching a radius of 50-70 km, it is capable of ensuring coverage for the entire province, including remote and mountain regions and nearby provinces such as Dong Thap, Kien Giang, and Can Tho.

It is expected that the station will conduct test broadcasts and become operational by 1996. With a broadcast schedule of 190 minutes per day, the station will help to improve the people's spiritual life.

Australia

Evans on 'Extreme Disappointment' Over PRC Move

BK2811062595 Melbourne Radio Australia in English 0500 GMT 28 Nov 95

[FBIS Transcribed Text] Australian businessman James Peng has lost his appeal against his conviction on corruption charges. A court in Guangdong in southern China rejected the appeal which resulted for Mr. Peng being sentenced on charges of misappropriating funds and embezzlement. Australia's ambassador to China, Michael Lightowler, says he is extremely disappointed with the court's decision as Camille Funnell reports:

[Begin Funnell recording] James Peng was escorted from the court looking visibly disappointed with only a brief nod to Australia's ambassador to China. The Guangdong Higher People's Court which looks like a theater declared Mr. Peng's sentence of 18 years jail plus deportation should stand. Mr. Peng, who has already spent more than two years in detention in China, has been ordered to serve 16 years. Looking unkempt and wearing Scottish shoes, Mr. Peng called out in the court, I am innocent, I am not guilty. The court's chief judge told Mr. Peng it was not the time for him to defend himself. Today was only the day to deliver the verdict. The court's hearing was Mr. Peng's last avenue of appeal. [end recording]

Australian Foreign Minister Gareth Evans has expressed Canberra's extreme disappointment over the Peng case. Senator Evans says Australia will repeat its previous appeal to the Chinese Government for clemency and Mr. Peng's immediate deportation. He says the government will continue to offer assistance to Mr. Peng and to express Australia's concerns to the Chinese Government. Sen. Evans has told parliament there are six grounds for Australia's concerns.

[Begin Evans recording] The circumstances of his initial removal through Macao; Mr. Peng's already lengthy detention of around two years; state of his health; limited access to be granted medical attention during his detention; the length of his sentence; and its effects on his young family. We will be appealing against clemency and we will be certainly pressing again for his immediate deportation. [end recording]

Keating's Portrayal of UK as 'New Enemy' Viewed

BK1811105795 Sydney THE AUSTRALIAN FINANCIAL REVIEW in English 9 Nov 95 p 19

[Commentary by Fred Brenchley: "Keating's Xenophobic Display Could Backfire"]

[FBIS Transcribed Text] Australian election campaigns periodically demand foreign devil figures. The Liberals made great play with the yellow communist peril from Peking and Hanoi during the Cold War years.

In the current pre-election foreplay, Prime Minister Keating is trying out a variation on this theme by picturing Britain and the hapless John Major as the new "enemy" hand-in-glove with the demon French nuclear bomber Jacques Chirac, whose interests "are very often different and even fundamentally opposed" to Australia's.

For any Australian prime minister this is incredible language, more so because it is simply not true. John Curtin may have had to turn away from Britain to the U.S. in the dark days of 1942, but Keating is now attempting — against all social and business evidence — to paint Britain as constantly at odds with Australia.

Keating's attendance at Yitzhaq Rabin's funeral may provide pause for thought about such politics of xenophobia. Certainly his two outbursts about Major and Britain in the cauldron of domestic politics deserve a cooling-off period unless Australia's understandable outrage against French testing is not to create permanent damage to wider European ties.

The "big slap with a ruler" for Major was perhaps one of those slips into undiplomatic language that happens in a radio interview. Even so, Keating's experience in haranguing Mahathir as "recalcitrant" showed that although abuse might be the stock of Labor Party factional brawls, it can be counterproductive in foreign relations.

The speech to last Friday's [3 November] Republican Movement dinner cannot be dismissed so easily. In the context of London's blossoming alliance with Paris, Keating's issued (and reported) text said Britain "may very often in future feel itself obliged to oppose our interests in this part of the world".

"The British Government has made very clear what has been obvious for a long while — that Australia's interests and Britain's interests are often very different and even fundamentally opposed".

Britain fundamentally opposed to Australia? Tick off the big issues like UN reform, Uruguay Round, arms control and human rights and the two are always together. The very suggestion of fundamental conflict has sent Whitehall scouring maps to establish whether the Canberra they have been dealing with is the same one inhabited by Keating.

The answer is No. Neil Blewett the former Labor cabinet minister now High Commissioner in London, is hardly pounding Whitehall doors over frequent and fundamental clashes with Australia. The only recent problem has been French nuclear testing.

But it must be remembered these are French tests, not British. Britain is pursuing European interests here in a similar way that Australia is pushing into Asia. In neither case are these zero-sum games. Countries, unlike some politicians, can walk and chew gum at the same time.

Passing through London last May, Trade Minister Bob McMullan lauded current ties, pointing out that Britain is Australia's fourth largest trading partner and second largest investor. "We know the potential is there for the partnership with Britain to grow even more strongly than in the past," he said.

No fundamental opponent here. Indeed, the real state of relations with Britain and Europe (France excluded) is such that at a recent press conference in London one foreign correspondent complained to Foreign Minister Gareth Evans that with Australia's focus on Asia, there was nothing controversial in Europe to even question him about! But if diplomatic pressures outside testing are light, the business connection is going gangbusters. RTZ, BTR, P&O and AXA [expansions unknown] are just some of the British and European companies merging or buying into Australia as Canberra's hubbing strategy for Asian growth starts to attract interest. Such is the potential for new business ties that Britain has been selected as the focus market for Australia's third National Trade and Investment Outlook Conference in Melbourne in the next few weeks.

Is Keating now suggesting Canberra is throwing its support behind this conference to perversely pursue deeper business ties with a fundamentally opposed country? Not really. The sad reality is that Keating's remarks can be written off as political games. It suits to couple Britain with Major's new French links in a bid to shift the national angst on testing behind the republican movement.

Surely republicanism deserves more intellectual rigour than this. Australians will come to inevitable support for a republic after mature debate about their nation's future, not from gratuitous Pom bashing. Relations with Britain will continue beyond any Australian republic.

This is one area where Keating could actually learn from the Royal Family. Faced with Australia's growing republican movement, the Queen has behaved with great dignity, saying she would remain in the job only as long as wanted. Disappointment perhaps, but no abuse.

Keating is fond of his grasp of life's "big picture". In presenting Britain as continually, even fundamentally opposed to Australia to pursue the republican agenda, he is in danger of presenting Australians with the wrong picture. It is one that could damage wider business ties, much less Canberra's current campaign to secure a seat on the 97-98 UN Security Council.

Government Agrees To Build Mekong River Bridge

BK1611035095 Melbourne Radio Australia in English 0500 GMT 15 Nov 95

[FBIS Transcribed Text] The Australian Government has agreed to spend more than $55 million [Australian dollars] to build a bridge over the Mekong River in south Vietnam. Ann Parker reports construction of the My Thuan Bridge will be Australia's biggest ever aid project, even more costly than the Friendship Bridge opened last year between Thailand and Laos:

[Begin Parker recording] Development Cooperation Minister Gordon Bilney has handed over a feasibility study into the bridge's design and construction to Vietnam's transport minister, Bui Danh Luu, in Canberra. Mr. Bilney says the bridge will greatly enhance the lives of millions of rice farmers in the Mekong delta by giving them quicker and more direct access to markets in Ho Chi Minh City. But the bridge has been criticized by nongovernment organizations, which say the money would be far better spent on small-scale projects to help local farmers. They also question who the bridge will benefit most — these farmers or the Australian companies which win contracts for its construction. [end recording]

Nauru

Preliminary Poll Results Show Political Change

BK1911111095 Melbourne Radio Australia in English 0500 GMT 19 Nov 95

[FBIS Transcribed Text] Preliminary results from Nauru's national elections indicate a significant change in the country's political landscape. As Erina Reddan reports, with counting completed in all but one constituency, there are six new members while eight sitting members have retained their seats.

[Begin Reddan recording] The turnover has been greater than in other elections where it has average three new members. The president's former adviser, (Kiji Kojiman), who campaigned heavily in his electorate of Boe won well while (Ruby Dediya) won well in Anetan to become the only woman member of the 18-seat parliament. (Miss Dediya) campaigned hard calling for better financial management. Long-time sitting member and one of the biggest landowners in Nauru, Lawrence Steven, lost his seat in Anetan. Vote counting for the largest seat of (Auberland) where President Bernard Dowiyogo and influential opposition members are candidates is continuing. [end recording]

President, Cabinet Retain Seats in Election

LD1911102195 Melbourne Radio Australia in English 0900 GMT 19 Nov 95

[FBIS Transcribed Text] Nauru's President Bernard Dowiyogo and his cabinet have retained their parliamentary seats in the country's general election held this weekend. However, the tiny Pacific nation's political landscape has changed, with a strong critic of the government winning a seat and five members of the previous 18- seat parliament losing their seats. Ruby Dedia, a strong critic of the country's multimillion-dollar investment funds, has become Nauru's only female member of parliament. Mr. Dowiyogo, president since 1989, was the second-highest polling candidate in his electorate, which provides four members of parliament.

There are no political parties in Nauru and voting is usually along family and clan lines. Parliament will sit later this week to vote for a president.

Papua New Guinea

Australian Warning of Possible Attacks Protested

LD1911115695 Melbourne Radio Australia in English 0900 GMT 19 Nov 95

[FBIS Transcribed Text] Papua New Guinea [PNG] has protested over a warning by the Australian Government to Australians living in PNG that they may face payback attacks this weekend. The Australian High Commission in Port Moresby issued the warning last week following the shooting by Australian police in the state of Victoria of a PNG woman, Helen Merkel. Mrs. Merkel, aged 27, was killed by a policewoman during a confrontation at her Wodonga home in northeast Victoria. The Australian High Commission said it had information that Australians in PNG may be the subject of attacks as a payback for the shooting of Mrs Merkel.

PNG Secretary for Foreign Affairs and Trade, Gabriel Dusava, says he will summon Australian High Commissioner Bill Farmer tomorrow [20 November] for an explanation of the public warning. Mr. Dusava, an uncle of Mrs. Merkel, called the warning totally irresponsible, speculative, and insensitive. He accused the high commission of turning what he called the shocking and unnecessary killing of his niece into diplomatic adventure and grandstanding. Mr. Dusava added that members of Mrs. Merkel's family had assured him that they had no part in making alleged threats against Australians, and he called on all PNG citizens to refrain from any form of threats or retaliatory action.

Intelligence Chief Named New Defense Force Head

BK1611063595 Melbourne Radio Australia in English 0500 GMT 16 Nov 95

[FBIS Transcribed Text] The Papua New Guinea [PNG] Government has appointed Colonel (Jerry Singherok) as the new commander of the country's 3,000-member Defense Force.

The prime minister, Sir Julius Chan, said the appointment would take effect as soon as the governor general, Sir Wiwa Korowi, signs the cabinet decision.

Thirty-eight-year old Col. (Singherok) is the youngest officer to be apppointed head of the PNG Defense Force. Col. (Singherok) of Madang Province was the country's former intelligence chief. Col. (Singherok) replaces General Tony Huai.

Paying tribute to Gen. Huai, Sir Julius said the government thought it was time to assign Gen. Huai to other responsibilities and appoint a younger officer to command the Defense Force.

BULK RATE
U.S. POSTAGE
PAID
PERMIT NO. 352
MERRIFIELD, VA.

This is a U.S. Government publication produced by the Foreign Broadcast Information Service (FBIS). Its contents in no way represent the policies, views, or attitudes of the U.S. Government.

FBIS collects, translates, disseminates, and analyzes foreign open-source information on behalf of the U.S. Government. Its publications may contain copyrighted material. ***Copying and dissemination is prohibited without permission of the copyright owners.***

— Bracketed indicators before the first sentence of each item describe the way in which the material was processed by FBIS.

— Headlines and all bracketed explanatory notes are supplied by FBIS.

— Personal and place names are rendered in accordance with the decisions of the U.S. Board on Geographic Names as adapted by FBIS. Unverified names in radio and television material appear in parentheses and are spelled phonetically; words and phrases in parentheses preceded by a question mark are unclear in the original and deduced from context.

SUBSCRIPTION INFORMATION

U.S. Government Customers

For a list of FBIS products, to subscribe to an FBIS publication, or to indicate a change of address contact:

FBIS
P.O. Box 2604
Washington, DC 20013-2604
Telephone: (202) 338-6735
FAX: (703) 733-6042

Non-Government Customers

Subscriptions are available from the National Technical Information Service:

NTIS
5285 Port Royal Road
Springfield, VA 22161
Telephone: (703) 487-4630
FAX: (703) 321-8547

New subscribers should expect a 30-day delay in receipt of the first issue.